**Introduced** bv Committee on Consumer Protection, **Efficiency** and Governmental **Economic Development** (Davis (Chair), Alquist, Figueroa, Machado, Morrissey, Napolitano, Runner, Strom-Martin, Takasugi, and Wildman)

## March 12, 1998

An act to amend Sections 101, 130, 144, 2639, 2640, 2655.11, 2655.91, 2661.7, 2665, 2688, 2760.1, 2762, 3452, 7410, 7411, 7413, 7587.8, 7598.7, 7602, 7606, 7607, 7608, 7610, 7616.2, 7618, 7619.2, 7621, 7622.3, 7625, 7626, 7626.5, 7628, 7629, 7631, 7632, 7634, 7635, 7640, 7641, 7642, 7643, 7646, 7647, 7647.5, 7650, 7651, 7661, 7662, 7664, 7665, 7666, 7667, 7668, 7669, 7670, 7685.2, 7685.3, 7686, 7686.5, 7687, 7690, 7693, 7696, 7697, 7700, 7701, 7702, 7704, 7706, 7708, 7709, 7711, 7715, 7718.5, 7725, 7725.2, 7725.5, 7727, 7735, 7737.3, 7737.5, 7740, 7740.5, 8556, 9604, 9605, 9630, 9631, 9650, 9650.1, 9650.2, 9650.4, 9651, 9652, 9652.1, 9653, 9654, 9655, 9656, 9656.1, 9656.2, 9656.3, 9656.4, 9656.5, 9657, 9658, 9659, 9662, 9675, 9676, 9677, 9678, 9679, 9680, 9681, 9682, 9683, 9684, 9686, 9700, 9700.5, 9700.6, 9701, 9702.1, 9702.2, 9702.5, 9703, 9704, 9705, 9709, 9710, 9711, 9712, 9713, 9714, 9715, 9716, 9717, 9718, 9719, 9720, 9726, 9727, 9727.1, 9727.2, 9728, 9729, 9730, 9731, 9735, 9736, 9737, 9740, 9741, 9742, 9745, 9746, 9749, 5, 9751, 9752, 9753, 9754, 9755, 9756, 9758, 9759, 9760, 9761, 9762, 9763, 9764, 9765, 9766, 9767, 9769, 9780, 9781, 9782, 9783, 9784, 9785. 9786, 9787, 9789, 9880.2, 9884, 9884.3, 9886.2, and 9889.8 of, to amend the heading of Article 2 (commencing with Section 7610) of Chapter 12 of Division 3 of, to add Sections 7601 and AB 2802 — 2 —

9625 to, to repeal Sections 7412, 7431.5, 7603, 7604, 7605, 7607.5, 7663, 7687.5, 9626, 9626.5, 9627, 9628, 9629, 9630.5, and 18740 of, to repeal Article 10 (commencing with Section 9889.30) of Chapter 20.3 of Division 3 of, and to repeal and add Section 9603 of, the Business and Professions Code, and to amend Section 15633.5 of the Welfare and Institutions Code, relating to professions and vocations.

## LEGISLATIVE COUNSEL'S DIGEST

AB 2802, as introduced, Committee on Consumer Protection, Governmental Efficiency and Economic Development. Professions and vocations.

Existing law provides for the licensure, regulation, and discipline of various professions and vocations. These provisions are administered by boards and examining committees established within the Department of Consumer Affairs.

This bill would eliminate references to the Board of Funeral Directors and Embalmers and the Cemetery Board and instead refer to the Funeral Directors and Embalmers Program and the Cemetery Program to be administered by the Department of Consumer Affairs.

This bill would prohibit a registered nurse from petitioning to reinstate a license that has been revoked while the nurse is subject to an order of registration as a sex offender, rather than as a mentally disordered sex offender.

This bill would require that hearing aid dispensers who renew their licenses after their expiration, pay a delinquency fee.

This bill would revise certain provisions dealing with the process for appealing citations issued for violation of the Barbering and Cosmetology Program's rules and regulations.

This bill would revise provisions relating to the registration of private patrol operators and alarm company employees. This bill would revise certain provisions relating to the grounds for disciplinary action against funeral directors and embalmers.

This bill would revise certain provisions related to registration exemptions for automotive repair dealers. This

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bill would delete the requirement that the State Athletic Commission issue performance cards to all boxers who fight in California.

This bill would add the Division of Investigation to those agencies authorized to be given information relevant to an incident of elder or dependent adult abuse.

This bill would make additional technical and conforming changes.

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: no.

The people of the State of California do enact as follows:

- 1 SECTION 1. Section 101 of the Business and
- 2 Professions Code is amended to read:
- 3 101. The department is comprised of:
  - (a) The Board of Dental Examiners of California.
- 5 (b) The Medical Board of California.
- 6 (c) The State Board of Optometry.

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- 7 (d) The California State Board of Pharmacy.
- 8 (e) The Veterinary Medical Board.
  - (f) The Board of Accountancy.
- 10 (g) The California State Board of Architectural 11 Examiners.
- 12 (h) The State Board of Barbering and Cosmetology.
- 13 (i) The State Board of Registration for Professional 14 Engineers and Land Surveyors.
- 15 (j) The Contractors' State License Board.
- 16 (k) The State Board of Funeral Directors and 17 Embalmers *Program*.
- 18 (1) The Structural Pest Control Board.
- 19 (m) The Bureau of Home Furnishings and Thermal 20 Insulation.
- (n) The Board of Registered Nursing.
- 22 (o) The Board of Behavioral Science Examiners.
- 23 (p) The State Athletic Commission.
- 24 (q) The Cemetery Board Program.
- 25 (r) The State Board of Guide Dogs for the Blind.
- 26 (s) The Bureau of Security and Investigative Services.
- 27 (t) The Court Reporters Board of California.

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- 1 (u) The Board of Vocational Nursing and Psychiatric 2 Technicians.
- 3 (v) The California State Board of Landscape 4 Architects.
- 5 (w) The Bureau of Electronic and Appliance Repair.
  - (x) The Division of Investigation.
- 7 (y) The Bureau of Automotive Repair.
- 8 (z) The State Board of Registration for Geologists and 9 Geophysicists.
- 10 (aa) The State Board of Nursing Home 11 Administrators.
- 12 (ab) The Respiratory Care Examining Committee.
- 13 (ac) The Acupuncture Examining Committee.
- 14 (ad) The Board of Psychology.
- 15 (ae) The California Board of Podiatric Medicine.
- 16 (af) The Physical Therapy Board.
- 17 (ag) The Arbitration Review Program.
- 18 (ah) The Committee on Dental Auxiliaries.
- 19 (ai) The Hearing Aid Dispensers Examining 20 Committee.
- 21 (aj) The Physician Assistant Examining Committee.
- 22 (ak) The Speech-Language Pathology and Audiology 23 Board.
  - (al) The Tax Preparers Program.
- 25 (am) Any other boards, offices, or officers subject to its 26 jurisdiction by law.
- 27 SEC. 2. Section 130 of the Business and Professions 28 Code is amended to read:
- 29 130. (a) Notwithstanding any other provision of law, 30 the term of office of any member of an agency designated 31 in subdivision (b) shall be for a term of four years expiring 32 on June 1.
- 33 (b) Subdivision (a) applies to the following boards or 34 committees:
  - (1) Medical Board of California.
- 36 (2) California Board of Podiatric Medicine.
- 37 (3) Physical Therapy Examining Committee.
- 38 (4) Board of Registered Nursing.
- 39 (5) Board of Vocational Nursing and Psychiatric
- 40 Technicians.

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- 1 (6) State Board of Optometry.
- (7) California State Board of Pharmacy. 2
- 3 (8) Veterinary Medical Board.
- (9) California Board of Architectural Examiners.
- (10) California State Board of Landscape Architects. 5
  - (11) State Board of Barbering and Cosmetology.
- 7 (12) State Registration for Professional Board of
- Engineers and Land Surveyors. 9

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- (13) Contractors' State License Board.
- (14) State Board of Guide Dogs for the Blind. 10
- (15) State Board of Funeral Directors and Embalmers 11 12 Program.
- (16) Board of Behavioral Science Examiners. 13
  - (17) Structural Pest Control Board.
- (18) Cemetery Board Program. 15
- (19) Bureau of Electronic and **Appliance** 16 Repair Advisory Board. 17
- 18 (20) Court Reporters Board of California.
- (21) State Board of Registration for Geologists and 19 20 Geophysicists.
- (22) State Athletic Commission. 21
  - (23) Osteopathic Medical Board of California.
- (24) The Respiratory Care Board of California. 23
- (25) The Acupuncture Examining Committee. 24
- 25 (26) The Board of Psychology.
- 26 SEC. 3. Section 144 of the Business and Professions 27 Code is amended to read:
- 28 144. (a) Notwithstanding any other provision of law,
- an agency designated in subdivision (b) shall require an applicant to furnish to the agency a full set of fingerprints
- purposes of conducting criminal history record
- checks. Any agency designated in subdivision (b) may
- obtain and receive, at its discretion, criminal history
- 34 information from the Department of Justice and the
- United States Federal Bureau of Investigation. 35
- (b) Subdivision (a) applies to the following boards or 36 37 committees:
- 38 (1) Board of Accountancy.
- (2) State Athletic Commission. 39
- (3) Board of Behavioral Sciences. 40

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- 1 (4) Court Reporters Board of California.
- 2 (5) State Board of Guide Dogs for the Blind.
- 3 (6) California State Board of Pharmacy.
- 4 (7) Board of Registered Nursing.
- 5 (8) Veterinary Medical Board.
- 6 (9) Registered Veterinary Technician Examining
- 7 Committee.
- 8 (10) Board of Vocational Nurse Nursing and 9 Psychiatric Technician Examiners Technicians.
- 10 (11) Respiratory Care Board.
- 11 (12) Hearing Aid Dispensers Examining Committee.
- 12 (13) Physical Therapy Board of California.
- 13 (14) Physician Assistant Examining Committee.
  - (15) Speech-Language Pathology and Audiology
- 15 Examining Committee Board.
- 16 (16) Medical Board of California.
- 17 (17) Board of Nursing Home Administrators.
- 18 (18) Board of Optometry.
- 19 (19) Acupuncture Committee.
- 20 (20) Cemetery and Funeral Programs Program.
- 21 (21) Funeral Director and Embalmer Program.
- 22 (22) Bureau of Security and Investigative Services.
- 23 (22)

- 24 (23) Division of Investigation.
- 25 <del>(23)</del>
- 26 (24) Board of Psychology.
- 27 SEC. 4. Section 2639 of the Business and Professions
- 28 Code is amended to read:
- 29 2639. Every graduate of an approved physical
- 30 therapist education program who has filed a complete
- 31 application for licensure with the board for the first time
- 32 may, following receipt of a letter of authorization to
- 33 perform as a "physical therapist license applicant,"
- 34 perform as a physical therapist under the direct and
- 35 immediate supervision of a physical therapist licensed in
- 36 this state pending the results of the first licensing
- 37 examination administered for which he or she is eligible
- 38 following graduation from an approved physical therapist
- 39 education program. During this period the applicant shall
- 40 identify himself or herself only as a "physical therapist

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If license applicant." the applicant 1 passes examination, the physical therapist license applicant status shall remain in effect until a regular renewable 4 license is issued, or licensure is denied, by the committee 5 board. If the applicant fails the licensing examination, or 6 if he or she passes the examination but licensure is denied, the applicant shall be prohibited from performing as a physical therapist license applicant at any time in the 9 future.

A person shall not be considered a graduate unless he or she has successfully completed all the clinical training internships required for and graduation program.

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If the applicant fails to take the next succeeding 15 examination without due cause or fails to pass the 16 examination or receive a license, all privileges under this section shall terminate upon notice by certified mail, 18 return receipt requested. An applicant may only qualify once to perform as a physical therapist license applicant.

SEC. 5. Section 2640 of the Business and Professions Code is amended to read:

2640. (a) If the committee board uses computer 23 administered testing for the administration of 24 licensing examination, this section shall apply and Section 2639 shall not apply.

(b) Every graduate of an approved physical therapist 27 education program who has filed a complete application 28 for licensure with the committee board for the first time may, following receipt of a letter of authorization to take 30 the licensing examination and perform as a "physical therapist license applicant," perform as a physical therapist under the direct and immediate supervision of a physical therapist licensed in this state, for 90 days 34 pending the results of the first licensing examination 35 administered. During this period, the applicant shall 36 identify himself or herself only as a "physical therapist applicant." license If the applicant passes the physical therapist license examination, applicant status shall remain in effect until a regular renewable AB 2802 **—8** —

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license is issued, or licensure is denied, by the eommittee board.

- (c) A person shall not be considered a graduate unless he or she has successfully completed all the clinical training and internships required for graduation from the program.
- (d) If the applicant fails to take the examination within 90 days or fails to pass the examination or receive a license, all privileges under this section shall terminate. An applicant may only qualify once to perform as a 10 physical therapist license applicant.
- 12 6. Section 2655.11 of SEC. the Business and 13 Professions Code is amended to read:
- 2655.11. A person holding an approval as a physical 15 therapist assistant issued by the committee board may use "physical therapist assistant" or 16 the title "physical therapy assistant" or the letters "P.T.A." or any other words, letters, or figures that indicate that the person is an approved physical therapist assistant. No other person shall be so designated or shall use the term "physical therapist assistant" or "P.T.A." The approval as a physical therapist assistant shall not authorize the use of the prefix "L.P.T.," "R.P.T.," "P.T.," or "Dr." or the title "physical 24 therapist," "doctor," or any suffix or affix indicating or implying that the physical therapist assistant is a physical therapist or a doctor.
- SEC. 7. Section 2655.91 of the **Business** and 28 Professions Code is amended to read:
- 2655.91. Every graduate of an approved physical 30 therapist assistant education program who has filed a complete physical therapist assistant application with the board for the first time may, following receipt of a letter of authorization to perform as a "physical therapist assistant applicant" from the board, assist in the provision 34 35 of physical therapy under the direct and immediate 36 supervision of a licensed physical therapist pending the results of the first examination administered for which he or she is eligible following graduation from an approved physical therapist assistant education program. If the applicant passes the examination, the physical therapist

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assistant applicant status shall remain in effect until a regular renewable approval is issued, or approval is denied, by the committee board. If the applicant fails the examination, or if he or she passes the examination but approval is denied, the applicant shall be prohibited from performing as a physical therapist assistant applicant at any time in the future.

During this period the applicant shall identify himself herself only as a "physical therapist applicant."

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If a person assisting in the provision of physical therapy 12 pursuant to this section fails to take the next succeeding 13 examination without due cause or fails to pass the 14 examination or receive approval, all privileges under this 15 section shall terminate upon notice by certified mail, 16 return receipt requested. An applicant may only qualify once to perform as a physical therapist assistant applicant.

A student is not eligible to work as a physical therapist assistant applicant until successful completion of clinical experience required for graduation from program.

SEC. 8. Section 2661.7 of the Business and Professions 23 Code is amended to read:

2661.7. (a) A person whose license or approval has 25 been revoked or suspended, or who has been placed on probation, may petition the Physical Therapy Examining 27 Committee Board of California for reinstatement 28 modification penalty, including modification of termination of probation, after a period of not less than 30 the following minimum periods has elapsed from the effective date of the decision ordering that disciplinary action:

- (1) At least three years for reinstatement of a license 34 or approval revoked for unprofessional conduct, except 35 that the eommittee board may, for good cause shown, specify in a revocation order that a petition reinstatement may be filed after two years.
- (2) At least two years for early termination 38 39 probation of three years or more.

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(3) At least one year for modification of a condition, or reinstatement of a license or approval revoked for mental or physical illness, or termination of probation of less than three years.

- (b) The petition shall state any facts as may 6 required by the committee board. The petition shall be accompanied by at least two verified recommendations from physical therapists licensed by the committee board who have personal knowledge of the activities of the petitioner since the disciplinary penalty was imposed.
- (c) The petition may be heard by the committee 12 board. The committee board may assign the petition to an administrative law judge designated in Section 11371 of 14 the Government Code. After a hearing on the petition, the administrative law judge shall provide a proposed decision to the committee that shall be acted upon in accordance with the Administrative Procedure Act.
- (d) The eommittee, board or the administrative law 19 judge hearing the petition, may consider all activities of 20 the petitioner since the disciplinary action was taken, the offense for which the petitioner was disciplined, the petitioner's activities during the time the license was in good standing, and the petitioner's rehabilitative efforts, general reputation for truth, and professional ability. The 25 hearing may be continued, as the administrative law 26 judge designated in Section 11371 of the Government 27 Code finds necessary.
  - judge (e) The administrative law designated Section 11371 of the Government Code when hearing a petition for reinstating a license or approval, or modifying a penalty, may recommend the imposition of any terms and conditions deemed necessary.
- (f) No petition shall be considered while the petitioner 34 is under sentence for any criminal offense, including any period during which the petitioner is on court-imposed 36 probation or parole. No petition shall be considered while there is an accusation or petition to revoke probation pending against the person. The committee board may deny, without a hearing or argument, any petition filed pursuant to this section within a period of two years from

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the effective date of the prior decision following a hearing under this section.

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- (g) Nothing in this section shall be deemed to alter Sections 822 and 823.
- SEC. 9. Section 2665 of the Business and Professions Code is amended to read:
- 2665. Each diversion evaluation committee has the following duties and responsibilities:
- (a) The evaluation of physical therapists and physical 10 therapist assistants who request participation in the program and the consideration of any recommendations on the from professional consultants admission applicants to the diversion program.
- (b) The review and designation of treatment facilities 15 to which physical therapists and physical assistants in the diversion program may be referred.
  - (c) The receipt and review of information concerning physical therapists and physical therapist participating in the program.
- (d) Calling meetings as necessary to consider the 21 requests of physical therapists and physical therapist assistants to participate in the diversion program, to consider reports regarding participants in the program, and to consider any other matters referred to it by the board.
  - (e) The consideration of whether each participant in the diversion program may with safety continue or resume the practice of physical therapy.
  - (f) Setting forth in writing a treatment program for diversion each participant in the program requirements for supervision and surveillance.
- (g) Holding a general meeting at least twice a year, which shall be open and public, to evaluate the diversion 34 program's progress, to prepare reports to be submitted to 35 the emmittee board, and to suggest proposals for 36 changes in the diversion program.
- (h) For the purposes of Division 3.6 (commencing 38 with Section 810) of Title 1 of the Government Code, any member of a diversion evaluation committee shall be considered a public employee. No board or diversion

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evaluation committee member, contractor, or thereof, shall be liable for any civil damage because of acts or omissions which may occur while acting in good faith in a program established pursuant to this article.

SEC. 10. Section 2688 of the Business and Professions Code, as added by Section 12 of Chapter 830 of the Statutes of 1996, is amended to read:

2688. The amount of fees provided in connection with licenses or approvals for the practice of physical therapy 10 is as follows:

- (a) The application fee for a physical therapist's license shall be established by the committee board at not more than seventy-five dollars (\$75). The application fee 14 for an applicant under Section 2653 shall be established by the committee at not more than one hundred twenty-five dollars (\$125).
- (b) The examination and reexamination fees for the 18 physical therapist examination. physical assistant examination, and the examination demonstrate knowledge of the rules and related to the practice of physical therapy shall be the actual cost to the eommittee board of the development and writing of, or purchase of the examination, and grading of each written examination, plus the actual cost of administering each examination.
  - (c) The initial license fee for a physical therapist license shall be fixed by the examining committee board at not more than one hundred fifty dollars (\$150).
  - (d) The renewal fee for a physical therapist license shall be fixed by the examining committee board at not more than one hundred fifty dollars (\$150).
  - (e) A fee to be set by the eommittee board of not more than seventy-five dollars (\$75) shall be charged for each application for approval as a physical therapist assistant.
- (f) A fee to be set by the examining committee board 36 of not more than one hundred fifty dollars (\$150) shall be charged for the issuance of and for the renewal of each approval as a physical therapist assistant.
- 39 (g) Notwithstanding Section 163.5, the delinquency fee shall be 50 percent of the renewal fee in effect.

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(h) The duplicate wall certificate fee shall not exceed twenty dollars (\$20). The duplicate renewal receipt fee shall not exceed twenty dollars (\$20).

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- (i) The endorsement or letter of good standing fee is thirty dollars (\$30).
- (j) The amount of any fee established by statute or by the committee board pursuant to statutory authority that is in effect when this section becomes operative on January 1, 1999, pursuant to subdivision (k), shall remain 10 in effect after that operative date, unless the committee board establishes a fee amount that is less or greater than the previously established fee amount as permitted by
- 14 (k) This section shall become operative on January 1, 15 1999.
  - SEC. 11. Section 2760.1 of **Business** the and Professions Code is amended to read:
- 2760.1. (a) A registered nurse whose license has been 19 revoked, or suspended or who has been placed probation may petition the board for reinstatement or modification of penalty, including reduction 22 termination of probation, after a period not less than the minimum periods has following elapsed from effective date of the decision ordering that disciplinary action, or if the order of the board or any portion of it is stayed by the board itself or by the superior court, from the date the disciplinary action is actually implemented in its entirety:
  - (1) Except as otherwise provided in this section, at least three years for reinstatement of a license that was revoked, except that the board may, in its sole discretion, specify in its order a lesser period of time provided that the period shall be not less than one year.
  - (2) At least two years for early termination of a probation period of three years or more.
- 36 (3) At least one year for modification of a condition, or 37 reinstatement of a license revoked for mental or physical illness, or termination of probation of less than three 38 39 years.

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- (b) The board shall give notice to the Attorney General of the filing of the petition. The petitioner and the Attorney General shall be given timely notice by letter of the time and place of the hearing on the petition, and an opportunity to present both oral and documentary evidence and argument to the board. The petitioner shall at all times have the burden of proof to establish by clear and convincing evidence that he or she is entitled to the 9 relief sought in the petition.
  - (c) The hearing may be continued from time to time as the board deems appropriate.
  - (d) The board itself shall hear the petition and the administrative law judge shall prepare a written decision setting forth the reasons supporting the decision.
- (e) The board may grant or deny the petition, or may 16 impose any terms and conditions that it reasonably deems appropriate as a condition of reinstatement or reduction of penalty.
- (f) The petitioner shall provide a current set of 20 fingerprints accompanied by the necessary fingerprinting fee.
- (g) No petition shall be considered while the 23 petitioner is under sentence for any criminal offense, including any period during which the petitioner is on court-imposed probation or parole, or subject to an order of registration as a mentally disordered sex offender pursuant to Section 290 of the Penal Code. No petition shall be considered while there is an accusation or petition to revoke probation pending against petitioner.
- (h) Except in those cases where the petitioner has 32 been disciplined for violation of Section 822, the board may in its discretion deny without hearing or argument any petition that is filed pursuant to this section within a period of two years from the effective date of a prior decision following a hearing under this section.
- SEC. 12. Section 2762 of the Business and Professions 37 38 Code is amended to read:
- 39 2762. In addition to other acts constituting 40 unprofessional conduct within the meaning of

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chapter it is unprofessional conduct for a person licensed under this chapter to do any of the following:

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- (a) Obtain or possess in violation of law, or prescribe, or except as directed by a licensed physician and surgeon, dentist, or podiatrist administer to himself or herself, or furnish administer another, controlled to any substance as defined in Division 10 (commencing with Section 11000) of the Health and Safety Code or any dangerous drug or dangerous device as defined in Article 10 8 (commencing with Section 4210) of Chapter 9 of Division 2 of the Business and Professions Code Section 4022.
- (b) Use any controlled substance as defined in 14 Division 10 (commencing with Section 11000) of the 15 Health and Safety Code, or any dangerous drug or 16 dangerous device as defined in Article 8 (commencing with Section 4210) of Chapter 9 of Division 2 of the 18 Business and Professions Code Section 4022, or alcoholic beverages, to an extent or in a manner dangerous or injurious to himself or herself, any other person, or the public or to the extent that such use impairs his or her ability to conduct with safety to the public the practice authorized by his or her license.
  - (c) Be convicted of a criminal offense involving the prescription, consumption, or self-administration of any of the substances described in subdivisions (a) and (b) of this section, or the possession of, or falsification of a record pertaining to, the substances described in subdivision (a) of this section, in which event the record of the conviction is conclusive evidence thereof.
- (d) Be committed or confined by a court of competent jurisdiction for intemperate use of or addiction to the use of any of the substances described in subdivisions (a) and 34 (b) of this section, in which event the court order of commitment or confinement is prima facie evidence of such commitment or confinement.
  - (e) Falsify, or make grossly incorrect, grossly inconsistent, or unintelligible entries in any hospital, patient, or other record pertaining to the substances described in subdivision (a) of this section.

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SEC. 13. Section 3452 of the Business and Professions 1 Code is amended to read:

3452. Except as otherwise provided in this chapter, an 3 expired license may be renewed at any time within three years after its expiration on filing of an application for 5 renewal on a form prescribed by the committee, and payment of all accrued and unpaid renewal fees. If the license is renewed—more than 30 days after its expiration the licensee, as a condition precedent to renewal, shall also pay the delinquency fee prescribed by this chapter. 10 Renewal under this section shall be effective on the date 12 on which the application is filed, on the date on which the 13 renewal fee is paid, or on the date on which the 14 delinquency fee, if any, is paid, whichever last occurs. If so renewed, the license shall continue in effect through 15 16 the date provided in Section 3451 which next occurs after the effective date of the renewal, when it shall expire if 17 it is not again renewed.

SEC. 14. Section 7410 of the Business and Professions 20 Code is amended to read:

7410. Persons to whom a notice of violation or a citation is issued and an administrative fine assessed may appeal the administrative fine citation to a disciplinary 24 review committee established by regulation by the board 25 director. All appeals of administrative fines shall be submitted in writing to the board program within 30 days of the date the notice of violation or a citation was issued. Appeals of administrative fines which citations that are not submitted in a timely manner shall be rejected.

After a timely appeal has been filed with the board program, the administrative fine, if any, shall be stayed until the appeal has been adjudicated.

Persons appealing a notice of violation for which an administrative fine has been assessed citation, or their appointed representatives, shall appear in person before board or its designated representative, or an administrative law judge disciplinary review committee. appellant may present written or oral evidence relating to the facts and circumstances relating to the notice of violation for which an administrative fine

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citation was issued. Following an appeal before a disciplinary review committee, the disciplinary review committee shall issue a decision, based on findings of fact, 4 which may affirm, reduce, dismiss, or alter any charges 5 filed in the citation. In no event shall the administrative fine be increased. The appellant shall be provided with a written copy of the disciplinary review committee's decision relating to the appeal. 8 9

SEC. 15. Section 7411 of the Business and Professions 10 Code is amended to read:

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7411. If a licensee notifies the board that he or she intends to contest a citation, the board shall afford an opportunity for a hearing. The board Persons receiving a 14 decision from a disciplinary review committee may appeal the decision by filing a written request, within 30 15 16 days after receipt of the decision, to the program administrator. Following a hearing to appeal the decision 18 of a disciplinary review committee, the director shall thereafter issue a decision, based on findings of fact, affirming, modifying or vacating the citation or penalty, or directing other appropriate relief. The proceedings under this section In no event shall the administrative fine be increased. The hearing to contest the decision of a disciplinary review committee shall be conducted in accordance with Chapter 5 (commencing with Section 11500) of Part 1 of Division 3 of Title 2 of the Government Code, and the board director shall have all powers granted therein.

SEC. 16. Section 7412 of the Business and Professions Code is repealed.

7412. The board or its representative who conducts 32 the appeal hearing may, after the appeal has been concluded, affirm, reduce, dismiss, or alter any charges filed in the notice of violation or any penalties assessed. In no event shall the infractions in the citation or notice of violation or the administrative fine be increased.

The appellant shall be provided with a written copy of the board's decision relating to the appeal. All decisions rendered by the board or its representative under this section shall become final and there shall be no **AB 2802 — 18 —** 

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administrative appeal, except as otherwise provided by 2

- 3 SEC. 17. Section 7413 of the Business and Professions Code is amended to read:
- 7413. Appeals of administrative fines citations not 5 filed in a timely manner or failure of the appellant or the 6 appellant's representative to appear before the board 8 disciplinary review committee at the appointed time 9 except when good cause is shown, shall cause the administrative fine citation to become final and there 10 shall be no administrative appeal except as otherwise provided by law. 12
- SEC. 18. Section 7431.5 of the **Business** 14 Professions Code is repealed.
- 7431.5. On and after January 1, 1991, jurisdiction for 15 16 disciplinary action commenced by the board against licensed schools of cosmetology or electrology, and 17 pending final disposition in accordance with the terms of Chapter 5 (commencing with Section 11500) of Part 1 of 20 Division 3 of Title 2 of the Government Code, shall be transferred to the Council for Private Postsecondary and 22 Vocational Education. The council may proceed to refile, 23 recharge, or continue to prosecute in any appropriate 24 forum, causes for license discipline previously 25 commenced by the board which constitute grounds for license discipline by the council. All investigative files pertaining to open and pending investigations of schools 28 previously licensed by the board shall be transferred to 29 the council.
- 30 SEC. 19. Section 7587.8 of the Business and 31 Professions Code is amended to read:
  - 7587.8. The director may assess fines for the following acts pursuant to Article 4 (commencing with Section 7583) only as follows:
- 35 (a) Violation of subdivisions (a), (b), and Section 7583.2; twenty-five dollars (\$25) per violation. 36
- (b) Violation of subdivision (e) of Section 7583.2; 37 twelve dollars (\$12) per violation for the first 10 violations 38 and fifty dollars (\$50) per violation fifty-seven dollars (\$57) for each violation thereafter.

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(c) Violation of subdivisions (g) and (h) of Section 7583.2; twenty-five dollars (\$25) for the first violation and one hundred dollars (\$100) per violation for each violation thereafter.

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- (d) Violation of subdivision (d) of Section 7583.2; one hundred dollars (\$100) per violation.
- (e) Violation of subdivision (f) of Section 7583.2; two hundred fifty dollars (\$250) per violation.
- SEC. 20. Section 7598.7 of the **Business** and Professions Code is amended to read:
- 7598.7. An (a) Except as provided in subdivision (b), an employee of a licensee may be assigned to work with a temporary application for registration until the bureau issues a registration card or denies the application for registration. A temporary application for registration shall be a copy of the initial application. Any alarm agent employee assigned to work must carry either a temporary application for registration or a valid registration. A temporary application for registration shall in no event be valid for more than 120 days. However, the director may extend the expiration date beyond the 120 days if there 22 is an abnormal delay in processing applications for registration. For purposes of this section, the 120-day 24 period shall commence on the date the applicant signs and submits the application.
- subdivision (b) Notwithstanding (a), an who has been convicted of a crime prior to applying for registration shall not be issued a temporary application for registration and shall not be assigned to work as an 30 alarm agent until the bureau issues a permanent registration card. This subdivision shall apply only if the applicant for registration has disclosed the conviction to the bureau on his or her application form, or if the fact of the conviction has come to the attention of the bureau through official court or other governmental documents.
- SEC. 21. Section 7601 is added to the Business and 36 Professions Code, to read: 37
- 7601. The following terms as used in this chapter shall 38 have meanings expressed in this section:

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1 (a) "Department" of means the Department 2 Consumer Affairs.

- 3 (b) "Director" Director Consumer means the of 4 Affairs.
- 5 (c) "Program" the Cemetery Funeral means and Directors and Embalmers Programs. 6
- 7 SEC. 22. Section 7602 of the Business and Professions 8 Code is amended to read:
- 7602. Members of the board, except the public 10 members, shall only be appointed from persons who are licensed as funeral directors or embalmers and who have had a minimum of five consecutive years' experience in funeral directing or embalming immediately preceding their appointment. Members of the board, including the public members, shall not be financially interested, directly or indirectly, in any institution engaged in embalming or funeral directing instruction and shall not be members of the faculty of such an institution.

The public members shall not be licentiates of the board. There are in the department, the Cemetery and Funeral Directors and Embalmers Programs, under the supervision and control of the director.

The director may appoint a chief at a salary to be fixed 24 and determined by the director, with the approval of the of Finance. 25 Director The duty of enforcing and administering this chapter is vested in the chief, and he or she is responsible to the director therefor. The chief shall serve at the pleasure of the director.

granted or duty imposed Every power upon the director under this chapter may beexercised performed in the name of the director by a deputy director or by the chief, subject to such conditions and *limitations as the director may prescribe.* 

SEC. 23. Section 7603 of the Business and Professions Code is repealed.

7603. Members of the board shall be appointed for a term of four years and they shall hold office until the appointment and qualification of their successors or until one year shall have elapsed since the expiration of the term for which they were appointed, whichever first **— 21 — AB 2802** 

occurs. No person shall serve as a member of the board for 2 more than two consecutive terms, but this provision shall 3 not apply to any member in office at the time this 4 provision takes effect.

Vacancies occurring shall be filled by appointment for the unexpired term.

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Each appointment shall be for a four-year term expiring June 1 of the fourth year following the year in which the previous term expired.

The Governor shall appoint one of the public members and the two members qualified as provided in Section 7602. The Senate Rules Committee and the Speaker of the Assembly shall each appoint a public member, and their 14 initial appointment shall be made to fill, respectively, the 15 first and second public member vacancies which occur on or after January 1, 1983.

17 SEC. 24. Section 7604 of the Business and Professions 18 Code is repealed.

7604. The Governor may remove any member of the board for incompetency or improper conduct.

SEC. 25. Section 7605 of the Business and Professions Code is repealed.

7605. The board shall meet annually, and at such other times as it may determine.

It shall elect from its members, each for a term of one year, a president, a vice president, and a secretary.

Each member of the board shall receive a per diem and expenses as provided in Section 103.

The secretary shall not receive a salary for acting in such capacity.

31 SEC. 26. Section 7606 of the Business and Professions 32 Code is amended to read:

<del>board</del> program may, pursuant to 7606. The provisions of the Administrative Procedure Act, adopt and enforce reasonably necessary rules and regulations relating to:

- (a) The practice of embalming;
- (b) The business of a funeral director; 38

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conditions of places where such (c) The sanitary practice or business is conducted with particular regard to plumbing, sewage, ventilation and equipment;

- (d) Specifying conditions for approval of funeral establishments for apprentices and for approval embalming schools;
  - (e) The scope of examinations;
- (f) Carrying out generally the various provisions of this chapter for the protection of the peace, health, safety, welfare and morals of the public.
- SEC. 27. Section 7607 of the Business and Professions Code is amended to read:
- 7607. The board program may inspect the premises in 14 which the business of a funeral director is conducted or where embalming is practiced.
  - SEC. 28. Section 7607.5 of the **Business** Professions Code is repealed.
  - 7607.5. The board may appoint a person exempt from civil service who shall be designated as an executive officer and who shall exercise the powers and perform the duties delegated by the board and vested in him or her by this chapter.
- This section shall become inoperative on July 1, 1997, 24 and, as of January 1, 1998, is repealed, unless a later enacted statute, which becomes effective on or before January 1, 1998, deletes or extends the dates on which it becomes inoperative and is repealed.
- SEC. 29. Section 7608 of the Business and Professions 29 Code is amended to read:
  - The Director of Consumer Affairs may employ 7608. appoint all employees necessary properly administer the work of the board and the work of the department program, in accordance with civil service regulations.
- <del>Upon recommendation of the board, and with</del> With the 36 approval of the Director of Finance, and, subject to the provisions of Section 159.5, the Director of Consumer 38 Affairs program shall employ investigators and attorneys to assist the board program in prosecuting violations of this chapter, whose compensation and expenses shall be

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payable only out of the State Funeral Directors and Embalmers Fund.

SEC. 30. The heading of Article 2 (commencing with Section 7610) of Chapter 12 of Division 3 of the Business and Professions Code is amended to read:

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## Article 2. Funeral *Establishments and* Directors

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- SEC. 31. Section 7610 of the Business and Professions 10 Code is amended to read:
- 7610. All suits or actions commenced in the superior court against the board department shall be filed and tried either in the County of Sacramento, or in the county 14 of the residence of the plaintiff or petitioner, or in the county where the act occurred, which is the basis of the suit or action.
- 17 SEC. 32. Section 7616.2 of the **Business** and 18 Professions Code is amended to read:
- 7616.2. A licensed funeral establishment shall at all 20 times employ a licensed funeral director to manage, direct. or control its business profession. 22 Notwithstanding any other provisions of this chapter, 23 licensed funeral establishments within close geographical 24 proximity of each other, may request the board program 25 to allow a licensed funeral director to manage, direct, or control the business or profession of more than one 27 facility.
  - SEC. 33. Section 7618 of the Business and Professions Code is amended to read:
  - 7618. An application for a funeral director's license shall be written on a form provided by the board program, verified by the applicant, accompanied by the fee fixed by this chapter and filed at its Sacramento office.
- 34 34. Section 7619.2 of the SEC. **Business** and 35 Professions Code is amended to read:
- 36 7619.2. The <del>board</del> program shall grant a funeral 37 director's license to any applicant who complies with this article, notwithstanding Section 7619, if the applicant can demonstrate that he or she has complied with Section 40 7622 on or before July 1, 1999.

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SEC. 35. Section 7621 of the Business and Professions 1 Code is amended to read:

7621. The applicant shall also furnish the board 3 program with satisfactory proof that the facility in which he or she intends to conduct business as a funeral director 6 is or will be constructed, equipped and maintained in all respects as a licensed funeral establishment as defined in 8 this chapter.

SEC. 36. Section 7622.3 of the **Business** and 10 Professions Code is amended to read:

7622.3. The board program shall adopt regulations requiring continuing education of 14 hours every two years for licensed funeral directors.

SEC. 37. Section 7625 of the Business and Professions 15 Code is amended to read:

7625. Upon receipt of an application for a license, the board program shall cause an investigation to be made of 18 the physical status or plans and specifications of the proposed funeral establishment, and of 20 qualifications required of the applicant under 21 chapter, and for this purpose may subpoena witnesses, administer oaths, and take testimony.

The board program shall grant a license if it finds that 24 the proposed funeral establishment is or constructed and equipped as required by this chapter and that the applicant is qualified in all other respects as required by this chapter.

SEC. 38. Section 7626 of the Business and Professions 29 Code is amended to read:

7626. The board program shall examine and pass upon the qualifications of the applicant as to ability and experience before passing upon the physical status or plans and specifications of the proposed funeral establishment.

35 SEC. 39. Section 7626.5 of the Business and 36 Professions Code is amended to read:

7626.5. Where a hearing is held to determine whether 37 38 an application for a license should be granted, the proceeding shall be conducted in accordance Chapter 5 of Part 1 of Division 3 of Title 2 of the <u>\_\_ 25 \_\_</u> **AB 2802** 

Government Code, and the board program shall have all of the powers granted therein.

SEC. 40. Section 7628 of the Business and Professions 3 Code is amended to read:

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partnership, 7628. Any person, association, corporation, or other organization desiring to change the location of his, hers, or its licensed funeral establishment shall apply therefor on forms furnished by the board *program* and shall include a fee fixed by this chapter.

The application shall be granted by the executive officer program upon the filing with the board program of a favorable report, approved by the executive officer, 13 from a board member, except a public member, or an 14 inspector concerning the physical status or plans and of proposed specifications the licensed funeral 16 establishment to the effect that it conforms to the requirements of this article. Every application so granted 18 shall be submitted for approval at the next meeting of the 19 board after the issuance thereof, and no application for change of place of business shall become permanent until approved by the board.

SEC. 41. Section 7629 of the Business and Professions Code is amended to read:

7629. No funeral establishment shall be conducted or 25 held forth as being conducted or advertised as being conducted under any name which might tend to mislead the public or which would be sufficiently like the name of any other licensed funeral director so as to constitute an unfair method of competition.

Any funeral director desiring to change the name appearing on his or her license may do so by applying to the board program and paying the fee fixed by this chapter.

34 SEC. 42. Section 7631 of the Business and Professions 35 Code is amended to read:

7631. In case of the death of a licensed funeral director, who leaves an established business as part or all 37 of the assets of his or her estate, the board program may issue a special temporary license to his or her legal representative, unless the legal representative

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committed acts or crimes constituting grounds for denial of licensure under Section 480.

3 SEC. 43. Section 7632 of the Business and Professions Code is amended to read:

7632. Every funeral director shall cause all dead human bodies remains embalmed in his or hers funeral establishment to be embalmed by a regularly licensed embalmer, or by an apprentice embalmer under the supervision of a regularly licensed embalmer.

SEC. 44. Section 7634 of the Business and Professions 10 11 Code is amended to read:

7634. Notwithstanding any other provision of law, a 13 licensed embalmer, at the request of a licensed physician, 14 may remove tissue from a dead human body remains for transplant, or therapeutic, or scientific purposes specified 16 in, and pursuant to, the provisions of the Uniform Anatomical Gift Act (Chapter 3.5 (commencing with 18 Section 7150) of Part 1 of Division 7 of the Health and Safety Code), if such embalmer has completed a course tissue removal for transplant, or therapeutic, scientific purposes approved by the Medical Board of California of the State of California.

SEC. 45. Section 7635 of the Business and Professions 24 Code is amended to read:

7635. (a) Any person employed by, or an agent of, a 26 licensed funeral establishment, who consults with the family or representatives of a family of a deceased person for the purpose of arranging for services as set forth in subdivision (a) of Section 7615, shall receive documented 30 training and instruction which results in a demonstrated knowledge of all applicable federal and state laws, rules, and regulations including those provisions dealing with vital statistics, the coroner, anatomical gifts, and other 34 laws, rules, and regulations pertaining to the duties of a 35 funeral director. A written outline of the training 36 program, including documented evidence of the training 37 time, place, and participants, shall be maintained in the establishment shall available 38 funeral and be 39 inspection and comment by an inspector of the board 40 department.

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(b) This section shall not apply to anyone who has successfully passed the funeral director's examination pursuant to Section 7622.

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SEC. 46. Section 7640 of the Business and Professions 5 Code is amended to read:

- 7640. An embalmer is one who is duly qualified to 6 disinfect or preserve dead human bodies remains by the external application of antiseptics, disinfectants or preservative fluids; to prepare human 10 bodies for transportation which are dead of contagious or infectious diseases; and to use derma surgery or plastic art for restoring mutilated features; and who is duly licensed 12 13 as an embalmer under the laws of the State of California.
- SEC. 47. Section 7641 of the Business and Professions 15 Code is amended to read:
  - 7641. It is unlawful for any person to embalm a body, or engage in, or hold himself or herself out as engaged in practice as an embalmer, unless he or she is licensed by department; provided, however, section shall have no effect on students and instructors of embalming in embalming colleges approved by the board program.
- 23 SEC. 48. Section 7642 of the Business and Professions 24 Code is amended to read:
  - 7642. An application for an embalmer's license shall be written on a form provided by the board program, verified by the applicant, and accompanied by the fee fixed by this chapter.
- SEC. 49. Section 7643 of the Business and Professions 30 Code is amended to read:
- 31 7643. In order to qualify for a license as an embalmer, 32 the applicant shall comply with all of the following 33 requirements: 34
  - (a) Be over 18 years of age.
- (b) Not have committed acts or crimes constituting 36 grounds for denial of licensure under Section 480.
- (c) Furnish proof showing completion of a high school 38 course or instead he or she may furnish the board program with evidence that he or she has been licensed and has practiced as an embalmer for a minimum of three

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years within the seven years preceding his or her application in any other state or country and that the license has never been suspended or revoked for unethical conduct.

- 5 completed years (d) Have at least two of 6 apprenticeship under embalmer licensed an and engaged in practice as an embalmer in this state in a 8 funeral establishment which shall have been approved for apprentices by the board program and while so 10 apprenticed shall have assisted in embalming not fewer 11 than 100 human remains; provided, however, that a 12 person who has been licensed and has practiced as an 13 embalmer for a minimum of three years within the seven 14 years preceding his or her application in any other state 15 or country and whose license has never been suspended 16 or revoked for unethical conduct shall not be required to 17 serve any apprenticeship in this state.
- completed (e) Have successfully a course 19 instruction of not less than one academic year in an 20 embalming school approved by the board program and 21 accredited by the American Board of Funeral Service 22 Education.
- 23 SEC. 50. Section 7646 of the Business and Professions 24 Code is amended to read:
- 7646. The board program shall require the applicant 25 to pass an examination, which shall include the following 26 27 subjects: 28
  - (a) Theory and practice of embalming.
- 29 (b) Anatomy. embryology including histology. and 30 dissection.
  - (c) Pathology and bacteriology.

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- (d) Hygiene, including sanitation and public health. 32
  - (e) Chemistry, including toxicology.
- 34 (f) Restorative art, including plastic surgery and 35 demisurgery.
- (g) Laws, rules and regulations of the board program, 36 including those sections of the Health and Safety Code 37 which pertain to the funeral industry. 38
- SEC. 51. Section 7647 of the Business and Professions 39 Code is amended to read:

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7647. The 1 program shall <del>board</del> hold examine applicants for embalmer's licenses at least one meeting once annually, for the purpose of examining applicants for embalmer's licenses.

5 Examinations shall be held at such times and places as may be determined by the board program. 6

Notice of the time and place of such examinations shall be given as determined by the board program.

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SEC. 52. Section 7647.5 of **Business** and 10 Professions Code is amended to read:

7647.5. Where a hearing is held to determine whether an application for a license should be granted, the 12 proceeding shall be conducted in accordance with 14 Chapter 5 (commencing with Section 11500) of Part 1 of 15 Division 3 of Title 2 of the Government Code, and the 16 board program shall have all of the powers granted 17 therein.

18 SEC. 53. Section 7650 of the Business and Professions 19 Code is amended to read:

7650. From time to time, the <del>board</del> program may 21 examine the requirements for the issuance of licenses to embalmers in other States of the United States and cause a record to be kept of those States in which standards are maintained for embalmers, not lower than provided in this chapter.

SEC. 54. Section 7651 of the Business and Professions 26 27 Code is amended to read:

7651. The <del>board</del> program shall adopt regulations requiring continuing education of 14 hours every two years for licensed embalmers.

31 SEC. 55. Section 7661 of the Business and Professions 32 Code is amended to read:

7661. An application for registration as an embalmer's 34 apprentice shall be made upon a form provided by the 35 <del>board</del> program, verified by the applicant 36 accompanied by the fee fixed by this chapter.

SEC. 56. Section 7662 of the Business and Professions 37 38 Code is amended to read:

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7662. In order to qualify as an apprentice embalmer, 1 2 an applicant shall comply with all of the following 3 requirements:

(a) Be over 18 years of age.

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- (b) Not have committed acts or crimes constituting grounds for denial of licensure under Section 480.
- (c) Furnish proof showing completion of a high school course or instead he or she may furnish the board program with evidence that he or she has been licensed 10 and has practiced as an embalmer for a minimum of three years within the seven years preceding his application in any other state or country and that the license has never been suspended or revoked 14 unethical conduct.
- SEC. 57. Section 7663 of the Business and Professions 16 Code is repealed.
- 7663. Whenever it appears to the executive officer of 18 the board that no reason exists for the denial of an application and that the application is regular upon its face, the executive officer may issue a certificate of apprenticeship to the applicant, without submitting the application to the board.
- If, however, any doubt exists as to the qualifications of 24 the applicant, the application shall be submitted to the board and may be accepted or, after notice and hearing, rejected by a majority vote of the board.
  - SEC. 58. Section 7664 of the Business and Professions Code is amended to read:
  - 7664. Certificates of apprenticeship issued pursuant to this article shall expire when the holder has been issued a license as an embalmer, or six years from the date of registration, whichever first occurs. The certificates may not be renewed, but an apprentice embalmer who has not completed his or her term of apprenticeship at the time his or her certificate expires may apply for reregistration upon compliance with Section 7661. The board program when the circumstances warrant, apprentice credit under a reregistration for the time actually served under a previous registration, but no reregistration shall have the effect of continuing the term

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of apprenticeship beyond the period specified in Sections 2 7666 and 7666.5.

- 3 SEC. 59. Section 7665 of the Business and Professions Code is amended to read:
  - 7665. All registered apprentice embalmers shall be under the supervision and control of the board and shall comply with the following requirements during period of apprenticeship:
    - (a) Shall file a report of apprenticeship as follows:
  - (1) On or before January 15 of each year covering the period of apprenticeship ending as of December preceding.
  - supervising (2) Upon change of embalmer or employer, or both.
    - (3) Upon completion of apprenticeship.

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- (4) Upon application for leave of absence for a period in excess of 15 days.
- suspending apprenticeship (5) Upon attend embalming college.
- (6) Upon application for reregistration after suspension or revocation of registration where complete report of previous registration has not been filed.
- (b) The information contained in the report shall 24 consist of a concise summary of the work done by the apprentice during the period covered thereby, shall be verified by the apprentice and certified to as correct by 27 his or her supervising embalmer and employer. Upon request of the board program, each funeral director in whose establishment an apprenticeship is being, or has each embalmer under 30 been, served, and instruction or supervision an apprenticeship is being, or has been served, shall promptly file with the board program a report or such other information as may be 34 requested relating to the apprenticeship. Failure 35 comply with the request is cause for revocation by the 36 board program of the approval granted to the funeral director or embalmer for the training of apprentices and 38 is also a cause for disciplinary action against the funeral director or embalmer.

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SEC. 60. Section 7666 of the Business and Professions 1 Code is amended to read:

7666. (a) The term of apprenticeship shall be two years; provided, however, that if an apprentice after having served his or her apprenticeship fails to pass the examination for an embalmer's license he or she may continue for one additional term of apprenticeship, which shall be the maximum apprenticeship permitted and provided further that an apprentice may, upon filing an application therefor, be permitted to continue the apprenticeship for a period not to exceed six months, if approved, for any of the following reasons:

- (1) While awaiting the processing of applications 14 submitted to the board program.
- awaiting notification of (2) While grades of 16 embalmers' examinations—given administered the board program.
- (3) While awaiting the commencement of a class of an 19 embalming school or college when the intends to enroll in the school or college.

Applications filed for an extension of apprenticeship shall be filed by the applicant with the Sacramento office of the board program not less fewer than 15 days prior to the date applicant requests the extension commence.

- (b) Terms of apprenticeship may be served before, after, or divided by the embalming college course at the option of the apprentice; provided, however, that the term of apprenticeship must be completed, excluding time spent in active military service, within six years from the date of original registration, or from the date an successfully apprentice passes the examination embalmer's license required in Section 7646 of this code, 34 whichever first occurs, and provided further that if the 35 term of apprenticeship is not completed within 36 six-year period, the board program may require that the applicant serve the additional term of apprenticeship, not 38 to exceed two years.
- (c) A student attending an embalming college may 40 register as an apprentice during his or her college term

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but shall receive no credit for apprenticeship on the term required by this code unless he or she is also a full-time 3 employee of a funeral director.

(d) An apprentice while serving his or her required term of apprenticeship shall be a full-time employee in the funeral establishment in which he or she is employed.

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- SEC. 61. Section 7667 of the Business and Professions Code is amended to read:
- 7667. (a) The board program shall have the power to grant leaves of absence and extensions of leaves of absences and approve absences during the term apprenticeship.
- (b) A leave of absence, including any extensions, shall 14 not be approved for a longer period than an aggregate of one year.
- (c) No credit will be given to an apprentice on his or her apprenticeship for the period during which he or she 18 is absent from duty on leave.
- (d) Application for a leave of absence and for an 20 extension thereof shall be made by the apprentice on a form provided by the board program.
- (e) Upon termination of a leave of absence, the apprentice shall report that fact to the board program within 10 days of his or her resumption of apprenticeship 25 by returning to the Sacramento office of the board certificate 26 program, his or her of registration accompanied by a statement as to the resumption of apprenticeship which statement shall be certified correct by the funeral director in whose establishment he or she is to resume his or her duties and by the embalmer under whose supervision he or she is to resume his or her apprenticeship.
- (f) Failure to report within 10 days after the expiration 34 date of any leave of absence shall be cause for cancellation of the registration of an apprentice.
- SEC. 62. Section 7668 of the Business and Professions 36 37 Code is amended to read:
- 38 7668. The board program may suspend or revoke a of apprenticeship, after notice and complaint and hearing in accordance with the provisions

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of Article 6, if the apprentice is guilty of any of the following acts or omissions:

- (a) Failure to devote full-time employment to the duties of his or her apprenticeship.
- (b) Failure to make any report required by law to the board this chapter.
  - (c) Absence from duty except as provided in this code.
- (d) Being on duty as an apprentice while under the influence of liquor any controlled substance, as defined in 10 Division 10 (commencing with Section 11000) of the 11 Health and Safety Code, or any dangerous drug as defined 12 in Article 2 (commencing with Section 4015) of Chapter 13 9 of the Business and Professions Code, or alcoholic 14 beverages or other intoxicating substances, to an extent 15 dangerous or injurious to himself, herself, any person, or 16 the public to the extent that such use impairs his or her ability to conduct with safety to the public the practice authorized by his or her certification.
  - (e) Disobedience of proper orders or instructions of his or her superior.
  - (f) Violation of any provision of this chapter or any rule or regulation of the board department.
  - (g) Soliciting business for a funeral director or for an embalmer in violation of this chapter.
  - (h) Fraud misrepresentation or in obtaining a certificate of registration as an apprentice.
  - (i) Conviction of a crime substantially related to the qualifications, functions and duties of an apprentice, in which case the record of conviction, or a certified copy, shall be conclusive evidence of the conviction.
- 31 SEC. 63. Section 7669 of the Business and Professions 32 Code is amended to read:
- 33 7669. An apprentice who has had his or her certificate 34 of apprenticeship suspended or revoked may, within one year after the suspension or revocation apply 36 reregistration upon compliance with the law in effect at the time he or she so applies and payment of the 37 apprentice application fee fixed by this chapter. 38 reregistration shall have the effect of continuing

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apprenticeship beyond the period specified in Section 2 7666.

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The <del>board</del> program may, when the circumstances warrant. allow an apprentice credit under reregistration for the time actually served under a previous registration, but if the previous registration has been suspended or revoked for unprofessional conduct, not more than 75 percent of the time previously served shall be credited on the reregistration.

SEC. 64. Section 7670 of the Business and Professions Code is amended to read:

7670. (a) The apprenticeship required by this article shall be served in a licensed funeral establishment that shall have been previously approved for apprenticeship training by the board program. In order to qualify for approval the funeral director shall submit to the board program an application, accompanied by the fee fixed by this chapter, showing:

- (1) That 50 remains not than human per apprentice employed have been embalmed the during 12 establishment the months immediately preceding the date of the application.
- (2) That the applicant has, and will continue to have, 24 in full-time employment, for each two apprentices employed in his or her establishment, a California embalmer who has had not less than two years' practical experience California licensed as a embalmer immediately preceding the date of the application.
- (3) That the licensed funeral establishment of that 30 applicant meets the requirements of law as to equipment, cleanliness and sanitation as determined by an inspection report filed with the board program.
- (b) Licensed funeral establishments under common 34 ownership within close geographical proximity of each other may request any of the following from the -board program:
- (1) To be treated in aggregate for the purpose of 37 meeting requirements of paragraph 38 the of subdivision (a).

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included above.

(2) To designate one additional supervising embalmer per registered apprentice.

- (3) To allow a registered apprentice to serve in any or all of the licensed funeral establishments requested and approved pursuant to this section.
- (c) Approval granted under this section shall renewed annually upon application by the funeral continued director, showing compliance with foregoing provisions of this section, filed with the board 10 program not later than January 15 of each year, which application shall be acted upon by the board at its first meeting thereafter. An application for renewal shall be accompanied by the fee fixed by this chapter.
- SEC. 65. Section 7685.2 of the **Business** and 15 Professions Code is amended to read:
  - 7685.2. No funeral director shall enter into a contract for furnishing services or property in connection with the burial or other disposal of a dead human body remains until he or she has first submitted to the potential purchaser of such services or property a written or memorandum containing printed the following. provided such information is available at the time of execution of the contract:
- (a) The total charge for the funeral director's services 25 and the use of his, hers, or its facilities, including the preparation of the body and other professional services, and the charge for the use of automotive and other necessary equipment.
  - (b) An itemization of charges for the following merchandise as selected: the casket, an outside receptacle and clothing.
- (c) An itemization of fees or charges and the total 33 amount of cash advances made by the funeral director for 34 transportation, flowers, cemetery or crematory charges, newspaper notices. clergy honorarium, transcripts. 36 telegrams, long distance telephone calls, music and such other advances as authorized by the purchaser.
- 37 38 (d) An itemization of any other fees or charges not

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(e) The total of the amount specified in subdivisions (a), (b), (c), and (d).

If the charge for any of the above items is not known at the time the contract is entered into, the funeral director shall advise the purchaser of the charge therefor, within a reasonable period after the information becomes available. All prices charged for items covered under Sections 7685 and 7685.1 shall be the same as those given under such sections.

10 SEC. 66. Section 7685.3 of the Business Professions Code is amended to read:

7685.3. Commencing January 1, 1994, the current 13 address, telephone number, and name of the State Board 14 of Funeral Directors and Embalmers Department of 15 Consumer Affairs, Cemetery and Funeral Programs shall 16 appear on the first page of any contract for goods and services offered by a funeral director. At a minimum, the 18 information shall be in 8-point boldface type and make this statement:

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"FOR **MORE** INFORMATION ON **FUNERAL** 22 MATTERS, CONTACT: STATE BOARD OF FUNERAL 23 DIRECTORS AND EMBALMERS DEPARTMENT OF CONSUMER AFFAIRS. CEMETERY AND*FUNERAL* 25 *PROGRAMS*, (ADDRESS); **TELEPHONE NUMBER** (NUMBER)."

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For the period of January 1, 1993, through December 31, 1993, a funeral director shall supply the above information in writing when presenting a sales contract to any individual.

SEC. 67. Section 7686 of the Business and Professions Code is amended to read:

7686. The board program may suspend or revoke 35 licenses, after proper notice and hearing to the licensee, 36 if the licensee has been found guilty by the board program of any of the acts or omissions constituting grounds for disciplinary action. The proceedings under this article shall be conducted in accordance with Chapter 5 of Part 1 of Division 3 of Title 2 of the AB 2802 **— 38 —** 

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Government Code, and the board program shall have all 2 the powers granted therein.

3 68. Section 7686.5 SEC. of the **Business** and Professions Code is amended to read:

7686.5. All accusations against licensees shall be filed with the board department within two years after the performance of the act or omission alleged as the ground disciplinary action; provided, however, 9 foregoing provision shall not constitute a defense to an accusation alleging fraud or misrepresentation as 10 ground for disciplinary action. The cause for disciplinary action in such case shall not be deemed to have accrued 12 13 until discovery, by the board program, of the facts 14 constituting the fraud or misrepresentation, and, in such case, the accusation shall be filed within three years after 15 such discovery. 16

SEC. 69. Section 7687 of the Business and Professions Code is amended to read:

7687. Upon receipt of a complaint, the executive officer shall ascertain whether or not the accused licensee has been guilty of an act or omission constituting a ground for disciplinary action and program may make or cause to be made such investigation as he or she it deems necessary in order to ascertain this fact.

If, with or without investigation, the executive officer determines that the accused licensee has not been guilty of an act or omission constituting a ground for disciplinary action, he or she shall notify the complainant and file the findings with the board. If, with or without investigation, 30 the executive officer determines that the accused licensee is guilty or is probably guilty of such an act or omission he or she shall forward the findings to the attorney for the board, including therein the 34 recommendations, he or she deems desirable. Upon receipt of the findings and recommendations, the attorney for the board shall promptly take action thereon as may be proper.

70. Section 7687.5 of the **Business** 38 SEC. and Professions Code is repealed.

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7687.5. The board may, if it desires, hold an informal hearing and an investigation, with or without the knowledge or presence of the accused licensee. The board may not do more than determine upon the following courses at an informal hearing or after an investigation:

- (a) To continue the case for further investigation.
- 8 (b) To suspend further action until a future time.
  - (c) To dismiss the complaint.
- 10 (d) To proceed with a formal hearing.
- 11 SEC. 71. Section 7690 of the Business and Professions 12 Code is amended to read:
- 13 7690. The board program may discipline every 14 accused licensee whose default has been entered or who 15 has been tried and found guilty, after formal hearing, of 16 any act or omission constituting a ground for disciplinary 17 action.

18 Any of the following penalties may be imposed by the 19 board program:

- (a) Suspension of the disciplinary order.
- 21 (b) Reproval, public or private.
  - (c) Probation.

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- 23 (d) Suspension of the right to practice.
  - (e) Revocation of the right to practice.
- 25 (f) Such other penalties as the <del>board</del> program deems 26 fit.
- 27 SEC. 72. Section 7693 of the Business and Professions 28 Code is amended to read:
  - 7693. False or misleading advertising as a *funeral establishment*, funeral director, or embalmer constitutes a ground for disciplinary action.
- 32 SEC. 73. Section 7696 of the Business and Professions 33 Code is amended to read:
- 34 7696. Employment, directly or indirectly, of any apprentice, agent, assistant, embalmer, employee or other person, on part or full time, or on commission, for the purpose of calling upon individuals or institutions by
- 38 whose influence dead human bodies remains may be 39 turned over to a particular funeral director or embalmer
- 40 constitutes a ground for disciplinary action.

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SEC. 74. Section 7697 of the Business and Professions 1 Code is amended to read:

7697. The buying, after a death or while a death is impending, of funeral directing and embalming business by the licensee, his, hers, or its agents, assistants or 5 employees, or the direct or indirect payment, or offer of payment, of a commission by the licensee, his, hers, or its agents, assistants or employees for the purpose of such buying of business, constitutes a ground for disciplinary 10 action.

SEC. 75. Section 7700 of the Business and Professions 12 Code is amended to read:

7700. Using profane, indecent or obscene language in 14 the course of the preparation for burial, removal or other disposition of or during the funeral service for a dead human body remains, or within the immediate hearing of the family or relatives of a deceased, whose body has not yet been interred or otherwise disposed of constitutes a ground for disciplinary action.

SEC. 76. Section 7701 of the Business and Professions Code is amended to read:

7701. Solicitation or acceptance by a licensee of any 23 commission or bonus or rebate in consideration of recommending or causing a dead human body remains to be disposed of in any crematory, mausoleum or cemetery constitutes a ground for disciplinary action.

SEC. 77. Section 7702 of the Business and Professions 28 Code is amended to read:

7702. Using any casket or part of a casket which has previously been used as a receptacle for, or in connection with the burial or other disposition of, a dead human body 32 remains constitutes a ground for disciplinary action; provided, however, this section shall not apply to exterior 34 casket hardware which is not sold to the purchaser, or 35 where same is reserved by contract.

SEC. 78. Section 7704 of the Business and Professions 36 37 Code is amended to read:

7704. Violation of any State law or municipal or 38 county ordinance or regulation affecting the handling, **— 41 — AB 2802** 

custody, care or transportation of dead human bodies remains constitutes a ground for disciplinary action.

3 SEC. 79. Section 7706 of the Business and Professions Code is amended to read:

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7706. Refusing to surrender promptly the custody of a dead human body remains, upon the express order of the person lawfully entitled to its custody constitutes a ground for disciplinary action.

SEC. 80. Section 7708 of the Business and Professions 10 Code is amended to read:

7708. The <del>board</del> department, after a hearing, may deny the application of a funeral establishment, funeral director, embalmer, or apprentice embalmer on proof 14 that the applicant has committed acts or constituting grounds for denial of licensure under Section 480. The record of conviction, or a certified copy thereof, shall be conclusive evidence of the conviction.

SEC. 81. Section 7709 of the Business and Professions 19 Code is amended to read:

7709. A plea or verdict of guilty or a conviction 21 following a plea of nolo contendere is deemed to be a conviction within the meaning of this article. The board program may order the license suspended or revoked, or 24 may decline to issue a license, when the time for appeal has elapsed, or the judgment of conviction has been affirmed on appeal or when an order granting probation suspending the imposition made of sentence, irrespective of a subsequent order under the provisions of Section 1203.4 of the Penal Code allowing such person to withdraw his plea of guilty and to enter a plea of not guilty, or setting aside the verdict of guilty, or dismissing the accusation, information or indictment.

SEC. 82. Section 7711 of the Business and Professions 34 Code is amended to read:

7711. When a funeral establishment, funeral director 36 or embalmer has had his, or her, or its license suspended, canceled, or revoked by the board program, the board written application by the licensee 38 program, upon affected, upon not less than 10 days' notice to all parties of record in the particular case, and after hearing all AB 2802 **— 42 —** 

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evidence offered in support of and in opposition to that application, may, in its discretion, and upon those terms as it may deem just, reinstate the applicant.

SEC. 83. Section 7715 of the Business and Professions 5 Code is amended to read:

7715. Any person, partnership, association, corporation or other form of organization or his, hers, or its agents or representatives, who violates any of the provisions of this chapter is guilty of a misdemeanor.

SEC. 84. Section 7718.5 of the Business Professions Code is amended to read:

7718.5. Every person as an individual, as a partner in 13 a partnership or as an officer or employee 14 corporation, association or other organization, without a license, holds himself or herself out as a funeral 16 director, is guilty of a misdemeanor.

SEC. 85. Section 7725 of the Business and Professions 18 Code is amended to read:

7725. Licenses issued under this chapter shall expire 20 at 12 p.m. on January 31, 1969, and thereafter at 12 p.m. on January 31 of each year, if not in each instance 22 renewed. To renew an unexpired license, the holder thereof shall on or before the date on which it would otherwise expire, apply for renewal on a form prescribed by the board program, and pay the renewal fee prescribed by this chapter.

On or before the 10th day of December of each year, 28 commencing in 1968, the board program shall mail to each licensed funeral establishment, funeral director, and each licensed embalmer, addressed to him or her at his or her last known address, a notice that a renewal fee is due and pavable.

SEC. 86. Section 7725.2 of the Business and 34 Professions Code is amended to read:

7725.2. Except as otherwise provided in this article, a 36 license which has expired may be renewed at any time within five years after its expiration on filing of an application for renewal on a form prescribed by the board program and payment of the renewal fee in effect on the last regular renewal date. If the license is not renewed **— 43** — **AB 2802** 

within 30 days after its expiration the licensee, as a condition precedent to renewal, shall also delinquency fee prescribed by this chapter. Renewal 4 under this section shall be effective on the date on which 5 the application is filed, on the date on which the renewal 6 fee is paid, or on the date on which the delinquency fee, if any, is paid, whichever last occurs. If so renewed, the license shall continue in effect through the date provided in Section 7725 which next occurs after the effective date 10 of the renewal, when it shall expire if it is not again renewed. 12

If a license is not renewed within one year following its 13 expiration, the board program may require as a condition 14 of renewal that the holder of the license pass an examination on the appropriate subjects provided by this chapter.

SEC. 87. Section 7725.5 of the **Business** and 18 Professions Code is amended to read:

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7725.5. A license which is not renewed within five 20 years after its expiration may not be renewed, restored, reissued, or reinstated thereafter. The holder of the expired license may obtain a new license only if he, she, 23 or it pays all of the fees, and meets all of the requirements. 24 other than requirements relating to education, set forth 25 in this chapter for obtaining an original license, except that the board department may issue a new license to him, her, or it without an examination if he, she, or it establishes to its satisfaction that, with due regard for the public interest, he, she, or it is qualified to engage in the activity in which he, she, or it again seeks to be licensed. The board director may, by appropriate regulation, provide for the waiver or refund of all or any part of the application fee in those cases in which a license is issued without an examination under this section.

35 The provisions of this section do not apply 36 certificates of apprenticeship.

SEC. 88. Section 7727 of the Business and Professions 37 38 Code is amended to read:

7727. On or before the tenth day of each month, the 39 department shall pay into the State treasury and report AB 2802 — 44 —

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1 to the State Controller all the fees received for the board 2 program. The fees shall be received by the State 3 Treasurer and placed in the State funeral directors and

4 embalmers fund, which fund is available for expenditures

5 necessary for the proper administration of this chapter.

SEC. 89. Section 7735 of the Business and Professions Code is amended to read:

8 7735. No funeral establishment licensed under the laws of the State of California, or the agents or employees of a funeral establishment, shall enter into or solicit any 10 preneed arrangement, contract or plan, hereinafter referred to as "contract," requiring the payment to the 12 licensee of money or the delivery to the licensee of 14 securities to pay for the final disposition of human remains or for funeral services or for the furnishing of 16 personal property or funeral merchandise, wherein the use or delivery of those services, property or merchandise 17 18 is not immediately required, unless the contract requires that all money paid directly or indirectly and all securities delivered under that agreement or under any agreement 21 collateral thereto, shall be held in trust for the purpose for 22 which it was paid or delivered until the contract is 23 fulfilled according to its terms; provided, however, that any payment made or securities deposited pursuant to this article shall be released upon the death of the person 26 for whose benefit the trust was established as provided in Section 7737. The income from the corpus may be used to pay for a reasonable annual fee for administering the trust, including a trustee fee, to be determined by the 30 board program, and to establish a reserve of not to exceed 10 percent of the corpus as a revocation fee in the event 32 of cancellation on the part of the beneficiary.

None of the trust corpus shall be used for payment of any commission nor shall any of the trust corpus be used for other expenses of trust administration.

36 SEC. 90. Section 7737.3 of the Business and 37 Professions Code is amended to read:

38 7737.3. All commingled preneed trust funds held by 39 a funeral establishment shall be subject to an annual, 40 independent certified financial audit with a copy of the

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audit to be submitted to the board program for review within 120 days of the close of the fund's fiscal year. Any findings of noncompliance with existing law regarding preneed trust funds shall be identified by the auditor in a separate report for review and action by the -board 5 program. Audits and reports of noncompliance shall be filed simultaneously.

SEC. 91. Section 7737.5 of the **Business** Professions Code is amended to read:

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- 10 7737.5. A trustee may deposit the corpus of the trust in any savings and loan association institution insured by 11 the Federal Savings and Loan Insurance Corporation. 12
- SEC. 92. Section 7740 of the Business and Professions 14 Code is amended to read:
- 7740. The State Board of Funeral Directors and 16 Embalmers program is authorized to enforce of its own initiative the provisions of this article and may adopt such rules and regulations as in its opinion may be necessary to perform such duties and to safeguard the trust funds subject to this chapter.
- 21 93. Section 7740.5 of the SEC. **Business** 22 Professions Code is amended to read:
  - 7740.5. A funeral establishment shall pay to the board department the fee fixed by this chapter for filing with the board program any report on preneed trust funds required by rules and regulations of the board program adopted pursuant to Section 7740.
- SEC. 94. Section 8556 of the Business and Professions 29 Code is amended to read:
- 30 8556. (a) Licensed contractors acting their capacity as such, may remove and replace any structure or portions of a structure damaged by wood-destroying pests or organisms if such work is incidental to other work being performed on the structure involved or if such 34 35 work has been identified by a structural pest control 36 inspection report. Licensed contractors acting in their capacity as such may apply wood preservatives directly 37 to end cuts and drill holes of pressure treated wood, and to foundation wood as required by building codes, as well as to fencing and decking, by brush, dip, or spray method

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and need not obtain a structural pest control operator's

- license under this chapter for performance of that work,
- provided a disclosure in the following form is submitted
- on to the customer in writing: "The application of a wood
- preservative is intended to prevent the establishment
- and flourishing of organisms which can deteriorate wood.
- If you suspect pest infestation or infection, contact a
- licensed registered structural pest control 9 company prior to the application of a wood preservative."

10 These exemptions do not authorize the performance of 11 any other acts defined in Section 8505.

- (b) A licensed contractor may contract for the performance of any soil treatment pest control work to 14 eliminate, exterminate, control, or prevent infestations or 15 infections of pests or organisms in the ground beneath or 16 adjacent to any existing building or structure or in or upon any site upon which any building or structure is to 18 be constructed, but the actual performance of any such work must be done by a registered structural pest control company.
- 21 SEC. 95. Section 9603 of the Business and Professions 22 Code is repealed.
  - 9603. "Board" means the cemetery board.
- SEC. 96. Section 9603 is added to the Business and 25 Professions Code, to read:
- 9603. The following terms as used in this chapter shall 26 27 have the meanings expressed in this section:
- 28 (a) "Department" means the Department of 29 Consumer Affairs.
- (b) "Director" 30 Director means the of Consumer 31 Affairs.
- 32 SEC. 97. Section 9604 of the Business and Professions 33 Code is amended to read:
- 34 9604. A cemetery broker is a person who, other than 35 in reference to an occasional sale, sells or offers for sale,
- 36 buys, or offers to buy, lists, leases or offers to lease, or
- solicits, or negotiates the purchase or sale, lease or
- 38 exchange of cemetery property or interment services, or
- interest therein, for his or her own account or for another.

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1 SEC. 98. Section 9605 of the Business and Professions 2 Code is amended to read:

3 9605. A cemetery salesman salesperson is a natural person who, other than in reference to an occasional sale, is employed by a cemetery broker to sell, or offer for sale, list or offer to list, or to buy, or to offer to buy, or to lease, or offer to lease, or to solicit, or to negotiate the purchase or sale or lease or exchange of cemetery property or interment services, or any interest therein, for his or her 10 own account or for another.

SEC. 99. Section 9625 is added to the Business and Professions Code, to read:

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9625. There are in the department, the Cemetery and 14 Funeral Programs, under the supervision and control of the director.

The director may appoint a chief at a salary to be fixed and determined by the director, with the approval of the Finance. The duty of enforcing administering this chapter is vested in the chief, and he or she is responsible to the director therefor. The chief shall serve at the pleasure of the director.

SEC. 100. Section 9626 of the Business and Professions Code is repealed.

9626. Members of the board, except the public members, shall be appointed only from persons who have had, immediately preceding their appointment, a minimum of five consecutive years' experience in this state in the active administrative management of a cemetery corporation or as a member of the board of directors thereof for this period and shall at the time of their appointment have the actual and full authority of a president, general manager, or executive vice president. The five-year consecutive period shall be exclusive of time spent in the armed services. They shall hold office only as long as they continue in such active, actual and authoritative capacity.

The public members appointed by the Governor shall not be licentiates of the board. In addition, a public or lay member shall not have been at any time within five years AB 2802 — 48 —

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1 immediately preceding his appointment, nor shall he be 2 during his term of office, any of the following:

- (a) Engaged in, or a stockholder or legal counsel for any person, firm, or corporation which is engaged in, any business or activity which a cemetery authority may engage in under Section 7020 of the Health and Safety Code, whether or not such business or activity is incidental to or independent from a cemetery business.
- (b) Engaged in any of the pursuits covered by Part 2 (commencing with Section 8125) or Part 4 (commencing with Section 8890) of Division 8 of the Health and Safety Code.
- 13 SEC. 101. Section 9626.5 of the Business and 14 Professions Code is repealed.
- 15 9626.5. Each member of the board shall hold office 16 until the appointment and qualification of his successor or 17 until one year shall have elapsed since the expiration of 18 the term for which he was appointed, whichever first 19 occurs.
- 20 SEC. 102. Section 9627 of the Business and Professions 21 Code is repealed.
- 22 9627. Each member of the board shall receive a per 23 diem and expenses as provided in Section 103.
- 24 SEC. 103. Section 9628 of the Business and Professions 25 Code is repealed.
- 9628. The board shall elect annually a chairman and vice chairman and such other officers as it shall determine from among its members. Subject to the provisions of Sections 154 and 159.5, the board may employ, fix the salaries of and prescribe the duties of, two administrative assistants and such clerical, technical and other employees as are necessary in the carrying out of its duties.
- 34 SEC. 104. Section 9629 of the Business and Professions 35 Code is repealed.
- 36 9629. The board shall meet at least twice a year in
- 37 order to conduct its business and may meet at such other 38 times as it may designate. The board may meet at any
- 39 place within this State.

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1 SEC. 105. Section 9630 of the Business and Professions 2 Code is amended to read:

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9630. The board department may establish necessary rules and regulations for the administration enforcement of this act and the laws subject to its jurisdiction and prescribe the form of statements and reports provided for in this act. Such rules and regulations shall be adopted, amended, or repealed in accordance with the provisions of the Administrative Procedure Act.

SEC. 106. Section 9630.5 of 10 the Business Professions Code is repealed.

9630.5. The board shall promulgate regulations by July 1, 1994, on standards for the burial depth of graves.

SEC. 107. Section 9631 of the Business and Professions 15 Code is amended to read:

9631. In the enforcement of this act and the laws subject to its jurisdiction, the board department has all 18 the powers and is subject to all the responsibilities vested 19 in and imposed upon the head of a department under Chapter 2, Part 1, Division 3, Title 2 of the Government Code.

SEC. 108. Section 9650 of the Business and Professions Code is amended to read:

- 9650. (a) Each cemetery authority shall file with the 25 board department annually, on or before June 1, or within five months after close of their fiscal year provided approval has been granted by the board department as provided for in Section 9650.1, a written report in form prescribed by the board department setting forth:
  - (1) The number of square feet of grave space and the number of crypts and niches sold or disposed of under endowment care by specific periods as set forth in the form prescribed.
- (2) The amount collected and deposited in both the general and special endowment care funds segregated as 36 to the amounts for crypts, niches and grave space by specific periods as set forth either on the accrual or cash basis at the option of the cemetery authority.
- 39 (3) A statement showing separately the total amount general and special endowment care funds 40

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invested in each of the investments authorized by law and the amount of cash on hand not invested, which statement shall actually show the financial condition of the funds.

- (4) A statement showing separately the location, description, and character of the investments in which the special endowment care funds are invested. The statement shall show the valuations of any securities held in the endowment care fund as valued pursuant to Section 9659.
- (5) A statement showing the transactions entered into between the corporation or any officer, employee or stockholder thereof and the trustees of the endowment 14 care funds with respect to those endowment care funds. The statement shall show the dates, amounts of the 16 transactions, and shall contain a statement of the reasons for those transactions.
- (b) The report shall be verified by the president or 19 vice president and one other officer of the cemetery The information submitted corporation. pursuant paragraphs (2), (3), (4), and (5) shall be accompanied by an annual audit report of the endowment care fund and special care fund signed by a certified public accountant 24 or public accountant. The scope of the audit shall include 25 the inspection, review, and audit of the general purpose 26 financial statements of the endowment care fund and special care fund, which shall include the balance sheet, 28 the statement of revenues, expenditures, and changes in fund balance.
  - (c) If a cemetery authority files a written request prior to the date the report is due, the board department may, in its discretion, grant an additional 30 days within which to file the report.
- 34 SEC. 109. Section 9650.1 of the Business 35 Professions Code is amended to read:
  - 9650.1. Each cemetery authority requesting a change of filing date of the endowment care fund report from a calendar year to a fiscal year or a change in fiscal year shall file a petition with the board department prior to the close of the year of request. The board department may

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approve such petition provided that no report shall be for a period of more than 12 months.

9650.2 of the 3 SEC. 110. Section **Business** Professions Code is amended to read:

9650.2. The report shall state the name of the trustee 5 or trustees of the endowment care fund. Any change of 6 trustee shall be reported to the board department within 8 a period of 30 days after the change is made.

111. Section 9650.4 of **Business** the 10 Professions Code is amended to read:

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9650.4. (a) Any cemetery authority that does not file its report within the time prescribed by Section 9650 may 12 be assessed a fine by the board department in an amount 14 not to exceed four hundred dollars (\$400) per month for a maximum of five months. The amount of the fine shall 16 be established by regulation in accordance with 17 Administrative Procedure Act (Chapter 18 (commencing with Section 11340) of Part 1 of Division 3 19 of Title 2 of the Government Code). Failure to pay the 20 fine within 15 days after receipt of written notification of 21 the assessment or, where a timely request for waiver or 22 reduction of the fine has been filed, within 15 days after receipt of written notification of the board's department's decision in the matter, shall be cause for disciplinary 25 action.

- (b) A cemetery authority may request waiver or reduction of a fine by making a written request therefor. The request shall be postmarked within the time specified above for payment of the fine and shall be accompanied by a statement showing good cause for the
- 32 (c) The board department may waive or reduce the 33 fine where a timely request is made and where it determines, in its discretion, that the cemetery authority has made a sufficient showing of good cause for the 36 waiver or reduction.
- SEC. 112. Section 9651 of the Business and Professions 37 Code is amended to read: 38
- examine 39 9651. The <del>board</del> department shall reports filed with it as to their compliance with the

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requirements of the Health and Safety Code as to the amount of endowment care funds collected and as to the manner of investment of such funds.

- SEC. 113. Section 9652 of the Business and Professions 4 5 Code is amended to read:
  - 9652. The <del>board</del> department shall examine the endowment care funds of a cemetery authority:
  - (a) Whenever it deems necessary and at least once every five years;
  - (b) Whenever the cemetery authority in charge of endowment care funds fails to file the report required by this article; or
- (c) Whenever the accountant or auditor qualifies his 14 or her certification of the report that is prepared and signed by a certified public accountant licensed in the state and prepared in accordance with Section 9650.
- (d) The reasonable and necessary cost of the 18 examination performed under subdivision (b) or (c) shall 19 be paid by the cemetery authority.

A certified copy of the actual costs, or a good faith 21 estimate of the costs where actual costs are not available, signed by the director or his or her designee, shall be 23 prima facie evidence of the reasonable and necessary 24 costs of the examination.

The actual and necessary expense of the examination 26 under subdivision (a) shall, in the discretion of the board paid department, be by the cemetery authority 28 whenever the examination requires more than one day and the need for continuing the examination is directly identified omissions and related to errors management of endowment care funds.

- 32 SEC. 114. Section 9652.1 of **Business** the and 33 Professions Code is amended to read:
- 9652.1. If any cemetery authority refuses to pay such 34 35 expenses. the board department shall refuse it a 36 certificate of authority and shall revoke any existing 37 certificate of authority. All examination expense moneys
- 38 collected by the board department shall be paid into the
- 39 State Treasury to the credit of the Cemetery Fund.

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SEC. 115. Section 9653 of the Business and Professions 1 Code is amended to read:

- 3 9653. (a) In making the examination the board *department*:
- 5 (1) Shall have free access to the books and records to the trust funds, their collection investment, and the number of graves, crypts and niches under endowment care.

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- (2) Shall inspect and examine the trust funds 10 determine their condition and the existence of the investments.
- (3) Shall ascertain if the cemetery corporation has 13 complied with all the laws applicable to trust funds.
- (b) Upon request by the Department of Consumer 15 Affairs, a cemetery authority shall provide records to 16 substantiate the expenditures of the income of the trust 17 funds. If a cemetery authority fails to reasonably comply 18 with this request, the department may have access to 19 books, records, and accounts of a cemetery authority for purposes of ascertaining compliance with laws.
- 22 SEC. 116. Section 9654 of the Business and Professions 23 Code is amended to read:
- 9654. The board department may administer oaths 25 and examine under oath any person relative to the endowment care fund. Such examination conducted in the principal office of the person or body in charge of the endowment care fund and shall be private.
- SEC. 117. Section 9655 of the Business and Professions 30 Code is amended to read:
- 31 9655. If any examination made by 32 department, or any report filed with it, shows that there has not been collected and deposited in the endowment 34 care funds the minimum amounts required by the Health and Safety Code since September 19, 1939, the board 36 department shall require such cemetery corporation to comply with Sections 8743 and 8744 of the Health and 37 38 Safety Code.
- SEC. 118. Section 9656 of the Business and Professions 39 40 Code is amended to read:

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9656. Whenever the board department finds, after 1 notice and hearing, that any endowment care funds have been invested in violation of the Health and Safety Code, it shall by written order mailed to the person or body in charge of the fund require the reinvestment of the funds in conformity to that code within a period which shall be not less than two years where the investment was made prior to October 1, 1949, not less than six months where such investment was made on or after October 1, 1949, 10 and before the effective date of the amendment of this section by the 1969 Regular Session of the Legislature, and not less than 30 days where such investment is made on 12 or after the effective date of such amendment. Such 13 period may be extended by the board department in its discretion. 15

SEC. 119. Section 9656.1 of the **Business** Professions Code is amended to read:

9656.1. The superior court of the county in which the 19 principal office of the cemetery authority in charge of endowment care funds is located shall, upon the filing by the board department of a verified application showing any of the following conditions hereinafter enumerated to exist, issue its order vesting title to any endowment care funds of a cemetery authority in the board directing 25 department, and the <del>board</del> department 26 forthwith to take possession of all necessary books, records, property, real and personal, and assets, and to as conservator, the management such conduct endowment care funds, or so much thereof as to the board department may seem appropriate:

- 31 (a) That such cemetery authority has 32 submit its books, papers, accounts, or affairs to the 33 reasonable examination of the board department.
- 34 (b) That such cemetery authority has neglected to observe an order of the board department to make good 35 36 within the time prescribed by law any deficiency in its investments of endowment care funds. 37
- 38 (c) That such cemetery authority is found, after an examination, to be in such condition that its further

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management of its endowment care funds will be hazardous to its members, plot holders, or to the public.

(d) That such cemetery authority has violated its articles of incorporation or any law of the state.

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- (e) That any officer, director, agent, servant employee of such cemetery authority person refuses to be examined under oath relative to the endowment care funds thereof.
- (f) That any person has embezzled or otherwise 10 wrongfully diverted any of the endowment care funds of such cemetery authority.

Such order shall continue in force and effect until, on 13 the application either of the board department or of such cemetery authority, it shall, after a full hearing, appear to the court that the ground for such order does not exist or has been removed and that such cemetery authority can properly resume title and possession of its property and the management of its endowment care funds.

120. Section 9656.2 **Business** SEC. Professions Code is amended to read:

9656.2. When it has been alleged by verified petition pursuant to Section 9652 or when the board department on its own investigation determines that there is probable 24 cause to believe that any of the conditions set forth in Section 9656.1 exist or that irreparable loss and injury to the endowment care funds of a cemetery authority has occurred or may occur unless the board department so acts immediately, the board department, without notice and before applying to the court for any order, may take possession of the endowment care funds and the books, records, and accounts relating thereto of such cemetery authority, and retain possession subject to the order of the court. Any person having possession of and refusing to deliver any such assets, books or records of a cemetery authority against which a seizure order has been issued by 36 the board, department shall be guilty of a misdemeanor and punishable by a fine not exceeding one thousand dollars (\$1,000) or imprisonment not exceeding one year, or by both such fine and imprisonment.

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1 SEC. 121. Section 9656.3 of the Business and 2 Professions Code is amended to read:

9656.3. Whenever the board department makes any seizure as provided in Section 9656.2, it shall, on demand of the board department, be the duty of the sheriff of any county of this state, and of the police department of any municipal corporation therein, to furnish him or her with such deputies, patrolmen or officers as may be necessary to assist the board department in making and enforcing any such seizure.

11 SEC. 122. Section 9656.4 of the Business and 12 Professions Code is amended to read:

13 9656.4. Immediately after effecting a seizure 14 pursuant to Section 9656.2, the board department shall 15 institute a proceeding as provided for in Section 9656.1.

SEC. 123. Section 9656.5 of the Business and Professions Code is amended to read:

18 9656.5. The <del>board</del> department shall 19 regulate, operate, and control the property situated in 20 Amador County, referred to as the Elkin property in Judicial Council Coordination Proceedings Nos. 1814 and 22 1817, Order Re Proposed Neptune Memorial, Disposition 23 of the Elkin Property, and Order Re Final Disposition of 24 Ashes of the Sacramento Superior Court, and legally 25 described as "Parcel 16-B as shown on the certain Record or Survey for Eugene S. Lowrance, et ux, filed for record May 17, 1971, in Book 17 of Maps and Plats at page 87, Amador County Records." The board department shall administer and supervise endowment funds established by the court for the property. The board department shall exercise the authority granted by this section for the sole purpose of protecting the human remains resting on the 32 33 property and preserving the property in its natural state.

34 SEC. 124. Section 9657 of the Business and Professions 35 Code is amended to read:

36 9657. The board department is authorized to bring 37 action to enforce the provisions of the law subject to its 38 jurisdiction, in which actions it shall be represented by 39 the Attorney General.

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1 SEC. 125. Section 9658 of the Business and Professions 2 Code is amended to read:

9658. The <del>board</del> shall enforce department administer Parts 1 (commencing with Section 8100), 3, (commencing with Section 8250) and 5 (commencing with Section 9501) of Division 8 of the Health and Safety Code.

SEC. 126. Section 9659 of the Business and Professions Code is amended to read:

9659. In any report to the board department all bonds, debentures or other evidences of debt held by a cemetery corporation if amply secured and if not in default as to principal or interest may be valued as follows:

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(a) If purchased at par at the par value.

(b) If purchased above or below par on the basis of the purchase price adjusted so as to bring the value to par at maturity and so as to yield the effective rate of interest on the basis at which the purchase was made.

(c) In such valuation the purchase price shall in no case be taken at a higher figure than the actual market value at the time of purchase.

SEC. 127. Section 9662 of the Business and Professions Code is amended to read:

9662. Commencing January 1, 1994, the The current 28 address, telephone number, and name of the Cemetery Board department shall appear on the first page of any 30 contract for goods and services offered by a cemetery authority or crematory. At a minimum, the information shall be in 8-point boldface type and make the following statement:

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"FOR MORE INFORMATION ON CEMETERY AND 36 CREMATION MATTERS, **CONTACT:** THE CEMETERY BOARD DEPARTMENT OF **CONSUMER** (ADDRESS); **TELEPHONE** AFFAIRS, NUMBER (NUMBER).'

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For the period January 1, 1993, through December 31, 1 1993, a A cemetery authority or crematory operator shall supply the above information in writing when presenting a sales contract to any individual.

- 5 SEC. 128. Section 9675 of the Business and Professions 6 Code is amended to read:
- 9675. This article does not apply to the following cases or to the following persons:
- (a) A person acting with reference to an occasional 10 sale of his *or her* own property.
- (b) The regular officers of a cemetery corporation holding a certificate of authority acting with reference to the corporation's property when they receive no special 14 compensation therefor.
- (c) Persons making an occasional sale under a duly 16 executed power of attorney from others.
- (d) The services rendered by an attorney at law in 18 performing his duties as such.
  - (e) A receiver, trustee in bankruptcy, any person acting under orders of any court, or a trustee selling under a deed of trust.
- (f) A real estate broker or real estate salesman, acting 23 as such in connection with the sale, lease or exchange of 24 real property, or interest therein, when the transfer of cemetery property is purely incidental to the sale, lease or exchange of real property.
- SEC. 129. Section 9676 of the Business and Professions 28 Code is amended to read:
- 9676. No person shall engage in the business of, act in 30 the capacity of, advertise or assume to act as, a cemetery broker or cemetery salesman salesperson in this State without first obtaining a license from 32 the <del>board</del> department.
- 34 SEC. 130. Section 9677 of the Business and Professions 35 Code is amended to read:
- 9677. Any act other than an occasional sale of buying 36 37 or selling, leasing or exchanging cemetery property or 38 interment services of or for another or on his or her own account, or offering for another or for his or her own account to buy or sell, lease or exchange cemetery

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property or interment services, negotiating or purchase or sale, lease or exchange of cemetery property or interment services, or negotiating the purchase or sale, 4 lease or exchange, or listing or soliciting, or negotiating a loan on or leasing of cemetery property or interment services constitutes the person making such offer, sale or purchase, exchange or lease, or negotiating the loan, or 8 listing or soliciting, a cemetery broker or cemetery 9 salesman salesperson.

SEC. 131. Section 9678 of the Business and Professions Code is amended to read:

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9678. No person engaged in the business or acting in 13 the capacity of a broker or a salesman salesperson within 14 this State state shall bring or maintain any action in the for the collection of this State state courts 16 compensation for the performance of any of the acts mentioned in this article without alleging and proving 18 that he or she was a duly licensed cemetery broker or cemetery salesman salesperson at the time the alleged cause of action arose.

SEC. 132. Section 9679 of the Business and Professions 22 Code is amended to read:

9679. No cemetery broker shall employ or 24 compensate, directly or indirectly, any person for performing any of the acts within the scope of this article 26 who is not a licensed cemetery broker, or a cemetery 27 salesman salesperson licensed under the cemetery broker employing or compensating him or her. No cemetery salesman salesperson shall be employed by or accept 30 compensation from any person other than the cemetery broker under whom he or she is at the time licensed.

No salesman salesperson shall pay any compensation 33 for performing any of the acts within the scope of this article to any licensee except through the cemetery broker under whom he *or she* is at the time licensed.

For a violation of any of the provisions of this section, board department may temporarily suspend permanently revoke the license of the cemetery licensee in accordance with the provisions of this act relating to disciplinary proceedings.

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SEC. 133. Section 9680 of the Business and Professions 1 Code is amended to read:

3 9680. It is a misdemeanor, punishable by a fine not exceeding one hundred dollars (\$100) for each offense, 5 whether obligor, escrowholder person, otherwise, to pay or deliver to anyone a compensation for 6 performing any of the acts within the scope of this article who is not known to be or who does not present evidence to such payor that he or she is a licensed cemetery broker at the time such compensation is earned. 10

For violation of any of the provisions of this section, the temporarily <del>board</del> department may suspend permanently revoke the license of the cemetery licensee 14 in accordance with the provisions of this act relating to disciplinary proceedings.

SEC. 134. Section 9681 of the Business and Professions Code is amended to read:

9681. Any person acting as a cemetery broker or 19 cemetery salesman salesperson without a license, or who advertises so as to indicate he or she is a cemetery broker without being so licensed, is guilty of a misdemeanor. If such person is a corporation, it shall be punished by a fine of not to exceed five thousand dollars (\$5,000).

SEC. 135. Section 9682 of the Business and Professions 25 Code is amended to read:

salesman 9682. Any cemetery salesperson cemetery broker who sells, causes to be sold, or offers for sale any cemetery property upon the promise, guarantee or representation to the purchaser that the same may be resold or repurchased at a financial profit is guilty of a misdemeanor.

For violation of any of the provisions of this section, the 33 board department may temporarily suspend the license permanently revoke of the cemetery salesman salesperson or cemetery broker in accordance 36 with the provisions of this act relating to disciplinary proceedings.

38 No violation of any of the provisions of this section by any cemetery—salesman salesperson or employee of any licensed cemetery broker shall cause the suspension or **— 61 — AB 2802** 

revocation of the license of the employer of the salesman salesperson or employee unless it appears upon a hearing 3 by the board department that the employer had guilty knowledge of such violation.

5 SEC. 136. Section 9683 of the Business and Professions 6 Code is amended to read:

9683. Every officer, agent or employee of any person who 8 company, and every other knowingly 9 directs or aids the publication, authorizes, in 10 advertisement, distribution, or circularization of any false statement or representation concerning any cemetery or 12 cemetery brokerage business and every person who, with 13 knowledge that any advertisement, pamphlet, 14 prospectus or letter concerning any cemetery brokerage 15 business or any written statement that is false or 16 fraudulent, issues, circulates, publishes or distributes the 17 same, or causes it to be issued, circulated, published or 18 distributed, or who in any other respect wilfully willfully violates or fails, omits or neglects to obey, observe or comply with any order, permit, decision, demand or 21 of department requirement the <del>board</del> under provisions of this act relating to cemetery brokerage, is guilty of a misdemeanor, and, if a cemetery licensee, he 24 or she shall be held to trial by the board department for a suspension or revocation of this cemetery license, as provided in the provisions of this act relating 27 disciplinary proceedings.

SEC. 137. Section 9684 of the Business and Professions 29 Code is amended to read:

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9684. Each cemetery broker, other than a cemetery corporation holding a certificate of authority, and each cemetery salesman salesperson must include in advertising a statement that he or she is acting as a cemetery broker or cemetery salesman salesperson.

35 SEC. 138. Section 9686 of the Business and Professions 36 Code is amended to read:

9686. Any person, other than a person making an 38 occasional sale, who advertises cemetery property for sale or exchange, without being duly licensed as a cemetery broker or a cemetery salesman salesperson, or without AB 2802 

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possessing a certificate of authority as a cemetery corporation, is guilty of a misdemeanor. If such person is a corporation, it shall be punished by a fine of not to exceed five thousand dollars (\$5,000).

5 SEC. 139. Section 9700 of the Business and Professions 6 Code is amended to read:

9700. Application for license as a cemetery broker shall be made in writing on the form prescribed by the board department and filed at the principal office of the 10 board department. The application shall be accompanied by the original cemetery broker's license fee.

SEC. 140. Section 9700.5 of the Business and 13 Professions Code is amended to read:

9700.5. The board department shall not grant an 15 original cemetery broker's license to any person who is 16 not a resident of this state. Change of residence to another state shall terminate the license.

141. Section 9700.6 of the SEC. Business 19 Professions Code is amended to read:

9700.6. The board department shall not grant an original cemetery broker's license to any person who has not held a cemetery salesman's salesperson's license for at least two (2) years prior to the date of his or her application for the broker's license, and during such time 25 was not actively engaged in the business of a cemetery 26 salesman salesperson except that if an applicant for a 27 cemetery broker's license having at least the equivalent 28 of two (2) years' general cemetery experience files a written petition with the Cemetery Board department setting forth his or her qualifications and experience and the Cemetery Board department approves, he may be issued a cemetery broker's license immediately upon passing the appropriate examinations and satisfying the other requirements of this article.

35 SEC. 142. Section 9701 of the Business and Professions 36 Code is amended to read:

for 9701. Application license as a cemetery salesperson shall be made in writing on the form prescribed by the board department and filed at the principal office of the board department. The application <u>— 63 —</u> **AB 2802** 

shall signed by the applicant, shall be be and accompanied by the cemetery salesperson's license fee.

SEC. 143. Section 9702.1 of the **Business** and Professions Code is amended to read:

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- 9702.1. The board department shall investigate the applicants. Except as otherwise qualifications of the prescribed in this article, it may issue the license applied for to an applicant on a showing satisfactory to it that the following facts exist:
- (a) The applicant is properly qualified to perform the duties of a cemetery broker or salesman salesperson.
- (b) Granting the license will not be against public interest.
- (c) The applicant intends actively and in good faith to carry on the business of a cemetery broker or a cemetery salesman salesperson.
- (d) In the case of a corporate applicant, the articles of 18 incorporation permit it to act as a cemetery broker.
  - (e) In the case of an association or copartnership applying for such a license its articles of association or agreement of partnership authorize it to act as a cemetery broker.
- (f) The license is not being secured for the purpose of 24 permitting the applicant to advertise as a cemetery broker or salesman salesperson without actually engaging in such business.
  - (g) The applicant has not committed acts or crimes constituting grounds for denial of licensure under Section
  - SEC. 144. Section 9702.2 of the **Business** Professions Code is amended to read:
- 9702.2. All cemetery brokers who do not possess a of authority shall addition certificate in to the 34 requirements of this chapter file with said<del>board</del> 35 department a satisfactory bond to the people of the State 36 of California, duly executed by a sufficient surety or sureties to be approved by the board department, in the amount of ten thousand dollars (\$10,000). Said bond shall
- be conditioned for the honest and faithful performance 40 by such broker and his -salesmen or her salespersons and

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employees of any undertaking as a licensed cemetery broker or salesman salesperson or employee of said broker at any time when licensed under this chapter, and the strict compliance with the provisions of this chapter and of Division 8 of the Health and Safety Code relating to cemeteries, and the honest and faithful application of all funds received. Said bond shall be further conditioned upon the payment of all damages suffered by any person damaged or defrauded by reason of the violation of any 10 of the provisions of this chapter or of Division 8 of the 11 Health and Safety Code relating to cemeteries, or by 12 reason of the violation of the obligation of such broker as 13 an agent, as such obligations are laid down by the Civil 14 Code of the State of California, or by reason of any fraud connected with or growing out of any transactions 16 contemplated by this chapter or Division 8 of the Health 17 and Safety Code. 18

- SEC. 145. Section 9702.5 of the **Business** 19 Professions Code is amended to read:
- 9702.5. The <del>board</del> department shall ascertain by 21 written examination that the applicant, and, in case of a copartnership or corporation applicant for a cemetery broker's license, that each officer, agent or member thereof through whom it proposes to act as a cemetery 25 licensee has:
- (a) Appropriate knowledge of the English language, 26 27 including reading, writing and and spelling, of 28 elementary arithmetic.
  - (b) A fair understanding of:

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- 30 (1) Cemetery associations, cemetery corporations and 31 duties of directors.
- (2) Plot ownership, deeds, certificates of ownership, 33 contracts of sale, liens and leases.
  - (3) Establishing, dedicating, maintaining, managing, operating, improving and conducting a cemetery.
- embellishment preservation and 36 (4) The care, 37 cemetery property.
- (5) The care and preservation of endowment care 38 funds, trust funds, and the investment thereof.

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(c) A general and fair understanding of the obligations between principal and agent, of the principles cemetery brokerage practice and the business ethics pertaining thereto, as well as of the provisions of this act relating to cemetery brokerage.

SEC. 146. Section 9703 of the Business and Professions Code is amended to read:

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9703. The board department may, in its discretion, waive the examination of any applicant for a cemetery 10 broker's license who held an unrevoked or unsuspended cemetery license on June 30th of the preceding fiscal year as an individual broker, an officer of a corporation, or member of a copartnership. The board may waive the 14 examination of any applicant for a cemetery salesman's license who held an unrevoked or unsuspended cemetery salesman's license on June 30th of the preceding fiscal year and who previously qualified by passing a written examination.

Section 9704 of the Business and Professions SEC. 147. Code is amended to read:

9704. An application on the form prescribed by the board department for the renewal of any unrevoked and unsuspended license filed before midnight of June 30th of the year for which such unrevoked and unsuspended license was issued, accompanied by the applicable renewal fee, entitles the applicant to continue operating under his or her existing license after its usual expiration date, if not previously suspended or revoked, and until such date as he or she is notified in writing that the application has been granted or denied.

SEC. 148. Section 9705 of the Business and Professions Code is amended to read:

9705. Upon receipt of the application specified in Section 9701, the board department shall issue, without examination, to any person who otherwise qualifies, a temporary salesperson's license, good for a period of three months from the date of issuance, irrespective of the fact that the fiscal year may terminate within such three months. An applicant shall not be AB 2802 -66

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entitled to more than one temporary license without examination.

3 SEC. 149. Section 9709 of the Business and Professions Code is amended to read:

5 9709. The cemetery licenses of both broker and salesman salesperson shall be prominently displayed in 6 the office of the broker.

The cemetery salesman's salesperson's license shall remain in the possession of the licensed cemetery broker 10 employer until canceled or until the salesman salesperson leaves the employ of the broker.

SEC. 150. Section 9710 of the Business and Professions Code is amended to read:

9710. Immediately upon the salesman's salesperson's 15 withdrawal from the employ of the broker, the broker 16 shall return the salesman's salesperson's license to the 17 board department for cancellation. A license canceled 18 but not suspended or revoked may be reinstated within the fiscal year upon receipt of application therefor and the fee for the reinstatement of the license.

SEC. 151. Section 9711 of the Business and Professions 21 22 Code is amended to read:

9711. Every licensed cemetery broker shall have and 24 maintain a definite place of business in this state which shall serve as his or her office for the transaction of business.

No cemetery license authorizes the licensee to do 28 business except from the location for which the cemetery license was issued.

Notice in writing shall be given the board department of change of business location of a cemetery broker, whereupon the board department shall issue a new cemetery license for the unexpired period. The change or abandonment of business location without notification to the board department shall automatically cancel the license theretofore issued.

SEC. 152. Section 9712 of the Business and Professions 37 38 Code is amended to read:

39 9712. If the applicant for a cemetery broker's license maintains more than one place of business within the **— 67** — **AB 2802** 

- State he or she shall apply for and procure an additional
- license for each branch office so maintained by him.
- Every such application shall state the name of the person
- and the location of the place of business for which such
- 5 license is desired.

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- The board department may determine whether or not a broker is doing a cemetery brokerage business at or from any particular location which requires him or her to have a branch office license.
- SEC. 153. Section 9713 of the Business and Professions 10 11 Code is amended to read:
- 9713. Each cemetery broker shall erect and maintain 13 a sign in a conspicuous place on the premises to indicate 14 that he or she is a licensed cemetery broker and his or her name shall be clearly shown thereon. The size and place 16 of the sign shall conform to regulations that may be adopted by the board department.
- SEC. 154. Section 9714 of the Business and Professions 19 Code is amended to read:
  - 9714. For a violation of any of the provisions of Sections 9709, 9710, 9711 and 9713, the board department may temporarily suspend or permanently revoke the license of the cemetery licensee in accordance with the provisions of this act relating to disciplinary proceedings.
- SEC. 155. Section 9715 of the Business and Professions 26 Code is amended to read:
- 9715. Application for a certificate of authority shall be 28 made in writing on the form prescribed by the board department and filed at the principal office of the board 30 department. Such application shall be accompanied by the fee provided for in this act and must show that the cemetery authority owns or is actively operating a cemetery in this State state which is subject to the provisions of the Cemetery Act or that the applicant is in a position to commence operating a cemetery.
- SEC. 156. Section 9716 of the Business and Professions 36 37 Code is amended to read:
- 9716. The board department may require such proof 38 as it deems advisable concerning the compliance by such

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applicant to all the laws, rules, regulations, ordinances and orders applicable to him.

3 SEC. 157. Section 9717 of the Business and Professions Code is amended to read:

9717. (a) The board department shall adopt, may from time to time amend, rules and regulations prescribing standards of knowledge and experience and financial responsibility for applicants for certificates of authority. In reviewing an application for a certificate of 10 authority, the board department may consider acts of incorporators, officers, directors, and stockholders of the applicant, which shall constitute grounds for the denial of a certificate of authority under Division 1.5 (commencing 14 with Section 475).

(b) Upon receipt of an application for a certificate of the board department 16 authority, may investigation to be made of the physical status, plans, specifications and financing of the proposed cemetery, and any other qualifications required of the applicant 20 under this act, and for this purpose may subpoena witnesses, administer oaths, and take testimony.

At the time of the filing of the application required by 23 this section, the applicant shall pay to the Cemetery Fund the sum fixed by the board department at not in excess 25 of four hundred dollars (\$400) to defray the expenses of 26 investigation. In the event the sum shall be insufficient to defray all of the expenses, the applicant shall within five days after request therefor deposit an additional sum sufficient to defray such expenses, provided that the total sum shall not exceed the sum of nine hundred dollars (\$900).

SEC. 158. Section 9718 of the Business and Professions Code is amended to read:

34 9718. The board department may, in accordance with 35 its rules and regulations, authorize interments 36 cemeteries for which there is no currently valid 37 certificate of authority outstanding if the **board** department finds that rights to interment therein will otherwise be impaired. However, nothing in this section authorizes sales of lots, vaults, or niches by cemeteries for **— 69 — AB 2802** 

which there is no currently valid certificate of authority. Interments permitted under this section shall 3 conducted by authorized by **board** persons the department in accordance with its regulations, 5 Section 9768 shall not be applicable to such interments.

The board department or its representative shall be entitled to inspect and copy any cemetery records necessary to the performance of interments under this section, and any person having custody of such records shall permit inspection and copying thereof for such purpose. The board department may apply to superior court for the county in which the cemetery is located for an order temporarily transferring custody of 14 cemetery records to it for purposes of this section.

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SEC. 159. Section 9719 of the Business and Professions 16 Code is amended to read:

9719. The board department shall inspect the books, 18 records, and premises of any crematory licensed under this chapter or any certificate of authority holder operating a crematory. In making those inspections, the 21 -board department shall have access to all books and 22 records, the crematory building, the cremation chambers or furnaces, and the storage areas for human remains 24 before and after cremation, during regular office hours or 25 the hours the crematory is in operation. No prior 26 notification of the inspection is required to be given to the 27 certificate of authority holder or the crematory licensee. 28 If any certificate of authority holder or any crematory 29 licensee fails to allow that inspection or any part thereof, 30 it shall be grounds for the suspension or revocation of a license or other disciplinary action against the licensee. In the case of a certificate of authority holder, the suspension, revocation, or other disciplinary action may be limited to the operation of the crematory. All proceedings under this section shall be conducted in 36 accordance with the provisions of this chapter relating to disciplinary proceedings.

SEC. 160. Section 9720 of the Business and Professions 38 39 Code is amended to read:

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1 9720. The board department shall annually conduct a minimum of one unannounced inspection 3 licensed crematory.

- SEC. 161. Section 9726 of the Business and Professions 4 5 Code is amended to read:
- 9726. The board department may, upon its own 6 motion, and shall, upon the verified complaint in writing of any person, investigate the actions of any person 9 engaged in the business or acting in the capacity of a 10 cemetery licensee, and may temporarily suspend or permanently revoke a license at any time where the licensee, within the immediately preceding three years, 12 while a cemetery licensee in performing or attempting to 13 perform any of the acts specified in this act, has been guilty of any of the following: 15
  - (a) Making any substantial misrepresentation.
- (b) Making any false statement of a character likely to 18 influence or persuade.
  - continued flagrant (c) A and course misrepresentation or making of false promises through cemetery agents or salesmen salespersons.
- (d) Acting for more than one party in a transaction 23 without the knowledge or consent of all parties thereto.
- (e) Commingling the money or other property of his 25 or her principal with his or her own.
  - (f) The practice of claiming or demanding a fee, compensation commission under or any exclusive agreement authorizing or employing a licensee to sell, buy or exchange cemetery property for compensation or commission where such agreement does not contain a definite, specified date of final and complete termination.
- (g) The claiming or taking by a licensee of any secret or undisclosed amount of compensation, commission or profit or the failure of a licensee to reveal to the employer 35 of such licensee the full amount of such licensee's 36 compensation, commission or profit under agreement authorizing or employing such licensee to sell, buy or exchange cemetery property for compensation or commission prior to or coincident with the signing of such agreement evidencing the meeting of the minds of the

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contracting parties, regardless of the form of such agreement, whether evidenced by documents in escrow or by any other or different procedure.

- (h) The use by a licensee of any provision allowing the 5 licensee an option to purchase in an agreement authorizing or employing such licensee to sell, buy, or exchange cemetery property for compensation commission, except when such licensee prior to coincident with election to exercise such option 10 purchase reveals in writing to the employer the full amount of licensee's profit and obtains the written consent of the employer approving the amount of such profit.
- (i) Any other conduct, whether of the same or a 15 different character than specified in this section, which 16 constitutes fraud or dishonest dealing.

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The misrepresentations false and statements 18 mentioned in this section include also misrepresentation and false statements as to other property than that which the cemetery licensee may be selling or attempting to sell.

- SEC. 162. Section 9727 of the Business and Professions 23 Code is amended to read:
- 9727. The board department may suspend or revoke 25 the license of any cemetery licensee who, within three vears immediately preceding has done any of the following:
- (a) Been convicted of a crime substantially related to 29 the qualifications, functions and duties of such licensee. 30 The record of conviction, or a certified copy thereof, shall be conclusive evidence of such conviction.
- (b) Knowingly authorized, directed, connived at aided in the publication, advertisement, distribution, of material 34 circulation any false statement or representation concerning his or her business or any 36 cemetery property offered for sale.
- (c) Willfully disregarded or violated any the 38 provisions of this act relating to cemetery brokerage.
- (d) Acted or conducted himself or herself in a manner 39 which would have warranted the denial of his or her

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application for a cemetery license, or for a renewal thereof.

3 SEC. 163. Section 9727.1 of the **Business** Professions Code is amended to read:

9727.1. The board department may suspend or revoke the license of any cemetery licensee who procures a cemetery license, for himself or herself or any salesman salesperson, by fraud, misrepresentation or deceit. An action to suspend or revoke a license for a violation of the provisions of this section shall be commenced within three years after the discovery by the board department of such violation.

SEC. 164. Section 9727.2 of the Business 14 Professions Code is amended to read:

9727.2. A plea or verdict of guilty or a conviction 16 following a plea of nolo contendere is deemed to be a conviction within the meaning of this article. The board 18 department may order the license suspended or revoked, or may decline to issue a license, when the time for appeal has elapsed, or the judgment of conviction has been affirmed on appeal or when an order granting probation 22 is made suspending the imposition of irrespective of a subsequent order under the provisions of Section 1203.4 of the Penal Code allowing such person to withdraw his or her plea of guilty and to enter a plea of not guilty, or setting aside the verdict of guilty, or dismissing the accusation, information or indictment.

SEC. 165. Section 9728 of the Business and Professions Code is amended to read:

9728. When any salesman salesperson is discharged by his or her employer for a violation of any of the provisions of this article prescribing a ground for disciplinary action, a verified written statement of the facts with reference be filed forthwith 34 thereto shall with department by the employer and, if the employer fails to notify the board department as required by this section, the board department may temporarily suspend permanently cemetery revoke the license the employer in accordance with the provisions of this act.

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1 SEC. 166. Section 9729 of the Business and Professions 2 Code is amended to read:

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9729. The board department may deny, suspend or revoke the cemetery license of a corporation as to any officer or agent acting under its cemetery license, and the cemetery license of a copartnership as to any member acting under its cemetery license, without revoking the cemetery license of the corporation copartnership.

SEC. 167. Section 9730 of the Business and Professions 10 Code is amended to read:

9730. The fees for cemetery licenses at all periods of 13 the fiscal year is the same as provided in this article. All 14 cemetery license fees are payable in advance of issuing 15 the licenses and at the time of filing the application. 16 Except a temporary salesman's salesperson's license, for which other provision is made, all licenses shall be issued 18 for the fiscal year and shall expire on June 30th of each fiscal year at midnight.

SEC. 168. Section 9731 of the Business and Professions Code is amended to read:

9731. If a person fails to apply for a renewal of his or 23 her license prior to midnight of June 30th of the year for 24 which the license was issued, no renewal license shall be 25 issued to him or her except upon payment of the renewal 26 fee for such license plus 50 percent of the renewal fee, but not more than the renewal fee plus twenty-five dollars (\$25).

No person who fails to renew his or her license within 30 one year of the expiration date can engage in any of the activities authorized by such a license unless he or she first files the application required for an original license, pays the original license fee, and otherwise complies with all of the provisions of this act pertaining to the issuance of an original license.

SEC. 169. Section 9735 of the Business and Professions 36 37 Code is amended to read:

9735. An original cemetery salesman's salesperson's 38 license is a cemetery license issued to a person who did not have a cemetery salesman's salesperson's or a AB 2802 **— 74** —

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broker's license either individually or as an officer of a corporation, or as a member of a copartnership, on June 30th of the fiscal year previous to the fiscal year for which the salesman's salesperson's license is issued.

5 SEC. 170. Section 9736 of the Business and Professions 6 Code is amended to read:

9736. A renewal cemetery salesman's salesperson's license is a cemetery license issued to a person who had a cemetery salesman's salesperson's or a broker's license 10 either individually or as an officer of a corporation, or as a member of a copartnership, on June 30th of the fiscal year previous to the fiscal year for which the salesman's salesperson's license is issued.

SEC. 171. Section 9737 of the Business and Professions 15 Code is amended to read:

9737. The proceedings under this article shall be conducted in accordance with Chapter 5 of Part 1 of 18 Division 2 of Title 2 of the Government Code, and the 19 board department shall have all the powers granted 20 therein.

21 SEC. 172. Section 9740 of the Business and Professions 22 Code is amended to read:

9740. No person shall dispose of or offer to dispose of 24 any cremated human remains unless registered as a 25 cremated remains disposer by the board department. This article shall not apply to any person, partnership, or 27 corporation holding a certificate of authority as a 28 cemetery, crematory license, cemetery broker's license, salesman's salesperson's license, or cemeterv 30 director's license, nor shall this article apply to any person having the right to control the disposition of the cremated remains of any person or that person's designee if the person does not dispose of or offer to dispose of more than 10 cremated human remains within any calendar year.

SEC. 173. Section 9741 of the Business and Professions 35 36 Code is amended to read:

9741. Registration shall be on the form prescribed by the board department and shall include, but not be limited to, the full name of the registrant, business and residence addresses, description and identification

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aircraft or boats which may be used in dispensing cremated human remains, and the area to be served. Each registration application shall be accompanied by the cremated remains disposer fee.

SEC. 174. Section 9742 of the Business and Professions 5 6 Code is amended to read:

9742. All aircraft used for the scattering of cremated human remains shall be validly certified by the Federal Aviation Administration. All boats or vessels used for the 10 scattering of cremated human remains shall be registered with the Department of Motor Vehicles or documented by a federal agency, as appropriate. The certification or 12 13 registration shall be available for inspection by the board 14 department.

SEC. 175. Section 9745 of the Business and Professions 16 Code is amended to read:

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9745. Each cremated remains disposer shall file an 18 annual report on a form prescribed by the board department. The report shall include, but not be limited to, the number of cases handled and the area of scattering. The report shall cover the fiscal year ending on June 30th and shall be filed with the board department no later than September 30th of each year.

SEC. 176. Section 9746 of the Business and Professions 25 Code is amended to read:

26 9746. All cremated remains disposer registrations shall expire at midnight on September 30th of each year. 27 A person desiring to renew his or her registration shall file an application for renewal on a form prescribed by the 30 board department accompanied by the required fee. The board department shall not renew the registration of any person who has not filed the required annual report until he or she has filed a complete annual report with the 34 board department.

35 SEC. 177. Section 9749.5 of the Business and 36 Professions Code is amended to read:

9749.5. A cremated remains disposer shall be subject 37 to and shall be disciplined by the board department in 38 accordance with Article 6 (commencing with Section AB 2802 **—76** —

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9725). Any violation of this article shall also be grounds for disciplinary action.

- 3 SEC. 178. Section 9751 of the Business and Professions Code is amended to read:
- 9751. The original cemetery broker's license fee shall 5 be fixed by the board department at not more than four 6 hundred dollars (\$400).
- SEC. 179. Section 9752 of the Business and Professions 8 9 Code is amended to read:
- 10 9752. The original cemetery broker's license fee is 11 payable at the time of the filing of an application for an original cemetery broker's license. 12
- If the applicant fails the required written examination, 13 14 he or she may be permitted to take another examination upon the filing of an application for re-examination 16 reexamination and the payment of a re-examination fee. This re-examination reexamination 17 reexamination 18 fee shall be fixed by the board department at not more than one hundred dollars (\$100).
- No part of any original cemetery broker's license fee or 21 re-examination reexamination fee is refundable. It is deemed earned upon receipt by the board department, whether the accompanying application for license is complete or incomplete.
  - SEC. 180. Section 9753 of the Business and Professions Code is amended to read:
- 9753. The annual renewal fee for a cemetery broker's 28 license shall be fixed by the board department at not more than three hundred dollars (\$300).
- SEC. 181. Section 9754 of the Business and Professions 30 31 Code is amended to read:
- 32 9754. If the licensee is a cemetery brokerage corporation, the license issued to it entitles one officer only, on behalf of such corporation, to engage in the 35 business of a cemetery broker without the payment of 36 further fee, such officer to be designated in the application of the corporation for a license. For each 37 other officer of licensed cemetery a brokerage
- 38 corporation, through whom it engages in the business of
- a cemetery broker, the annual renewal fee, in addition to

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the fee paid by the corporation, shall be fixed by the board department at not more than one hundred dollars (\$100).

SEC. 182. Section 9755 of the Business and Professions 3 Code is amended to read:

5 the licensee cemetery 9755. If is a brokerage copartnership, the license issued to it entitles one 6 member only of the copartnership to engage on behalf of the copartnership in the business of a cemetery broker, which member shall be designated in the application of 10 the copartnership for a license. For each other member of the copartnership who on behalf of the copartnership engages in the business of a cemetery broker, the annual 12 renewal fee, in addition to the fee paid by the 14 copartnership, shall be fixed by the board department at 15 not more than one hundred dollars (\$100).

SEC. 183. Section 9756 of the Business and Professions 16 17 Code is amended to read:

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9756. The cemetery salesman's salesperson's license fee shall be fixed by the board department at not more 19 than thirty dollars (\$30).

SEC. 184. Section 9758 of the Business and Professions Code is amended to read:

9758. No part of any original or temporary cemetery 24 salesman's salesperson's license fee is refundable. It is deemed earned upon receipt by the board department, whether the accompanying application for license is complete or incomplete.

SEC. 185. Section 9759 of the Business and Professions 28 29 Code is amended to read:

9759. The annual renewal fee for a cemetery salesman's salesperson's license shall be fixed by the board department at not more than twenty-five dollars (\$25).

33 SEC. 186. Section 9760 of the Business and Professions 34 Code is amended to read:

35 9760. For a branch office broker's license, the fee shall 36 be fixed by the board department at not more than one 37 hundred dollars (\$100).

SEC. 187. Section 9761 of the Business and Professions 38 Code is amended to read:

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9761. For change of name or of address of licensee on the records of the board department, the fee shall be fixed by the board department at not more than twenty-five dollars (\$25).

5 SEC. 188. Section 9762 of the Business and Professions Code is amended to read:

9762. For transfer of a salesman's salesperson's license on change of employer, the fee shall be fixed by the board department at not more than twenty-five dollars (\$25).

SEC. 189. Section 9763 of the Business and Professions 10 11 Code is amended to read:

12 9763. For a duplicate license the fee shall be fixed by 13 the board department at not more than twenty-five 14 dollars (\$25).

SEC. 190. Section 9764 of the Business and Professions 16 Code is amended to read:

9764. For reinstatement of a license within the fiscal 18 year, the fee shall be fixed by the board department at not more than twenty-five dollars (\$25).

As used in this section, "reinstatement of a license" 21 means the reissuance of a canceled cemetery broker's 22 license, or a cemetery salesman's salesperson's license 23 which was canceled during the year for which it was 24 issued upon the salesman's salesperson's withdrawal from 25 the employ of a cemetery broker.

26 SEC. 191. Section 9765 of the Business and Professions 27 Code is amended to read:

9765. Every cemetery authority operating 29 cemetery shall pay an annual regulatory charge for each 30 cemetery to be fixed by the board department at not more than four hundred dollars (\$400). In addition to an regulatory charge for each cemetery. additional quarterly charge of not more than eight dollars 34 and fifty cents (\$8.50) for each burial, entombment, or 35 inurnment, and not more than eight dollars and fifty 36 cents (\$8.50) for each cremation made during the 37 preceding quarter shall be paid to the department and 38 these charges shall be deposited in the Cemetery Fund. 39 If the cemetery authority performed the cremation and either the burial, entombment, or inurnment, the total of **— 79 — AB 2802** 

all additional charges shall be not more than eight dollars 2 and fifty cents (\$8.50).

3 Notwithstanding any other provision of law, including any provision contained in the Budget Act of 1996, this section shall remain in effect until the loans authorized by 5 Chapter 38, Statutes of 1996, and by Chapter 162, Statutes of 1996, are repaid, with interest at the rate accruing to moneys in the Pooled Money Investment Account, but no later than April 1, 2003, pursuant to a loan repayment plan approved by the Department of Finance. 10

11 SEC. 192. Section 9766 of the Business and Professions 12 Code is amended to read:

9766. Upon payment of the charges set forth the 14 board department shall issue a renewal of the certificate of authority to the cemetery authority.

SEC. 193. Section 9767 of the Business and Professions Code is amended to read:

18 9767. Failure to pay the charges set forth by Section 19 9765 of this code prior to February 1st for each year shall 20 be cause for suspension of the certificate of authority. Such certificate may be restored upon payment to the board department of the prescribed charges.

SEC. 194. Section 9769 of the Business and Professions 24 Code is amended to read:

9769. All moneys received by the board department under the provisions of this chapter shall be accounted for and reported by detailed statements furnished by the board department to the State Controller at least once a month, and at the same time such moneys shall be remitted to the State Treasurer, and, upon order of the State Controller, shall be deposited in the Cemetery Fund in the State Treasury, which fund is hereby created.

33 SEC. 195. Section 9780 of the Business and Professions 34 Code is amended to read:

35 9780. A crematory established, operated, 36 maintained, other than by a licensed cemetery authority, may be operated by a corporation, partnership, or natural person, provided that a valid crematory license shall have 38

been issued by the <del>board</del> department.

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1 SEC. 196. Section 9781 of the Business and Professions Code is amended to read:

9781. Application for a crematory license shall be made in writing on the form prescribed by the board department and filed at the principal office of the board department. Such application shall be accompanied by the fee provided for in this article and shall show that the applicant owns or is actively operating a crematory in this state or that the applicant is in a position to commence operating such a crematory.

SEC. 197. Section 9782 of the Business and Professions Code is amended to read:

9782. The board department may require such proof as it deems advisable concerning the compliance by such applicant with all the laws, rules, regulations, ordinances, and orders applicable to the applicant and shall not issue such crematory license until it has satisfied itself that the public interest will be served by such applicant.

SEC. 198. Section 9783 of the Business and Professions 20 Code is amended to read:

9783. (a) The board department shall adopt, 22 may from time to time amend, rules and regulations prescribing standards of knowledge and experience and 24 financial responsibility for applicants for a crematory 25 license. In reviewing an application for a crematory license, the board department may consider acts of the applicant, including acts of incorporators, directors, and stockholders of the applicant, which shall constitute grounds for the denial of a crematory license under Division 1.5 (commencing with Section 475).

(b) Upon receipt of an application for a crematory 32 license, the <del>board</del> department may cause an investigation to be made of the physical status, plans, specifications, and financing of the proposed crematory, the character of the applicant, including, if applicable, its officers, directors, shareholders, or members, and any other qualifications required of the applicant under this article, and for this purpose may subpoena witnesses, administer oaths, and 38 take testimony.

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At the time of the filing of the application required by 1 this article, the applicant shall pay to the Cemetery Fund the sum fixed by the board department at not in excess of four hundred dollars (\$400) to defray the expenses of investigation. In the event the sum shall be insufficient to defray all of the expenses, the applicant shall within five days after request therefor deposit an additional sum sufficient to defray such expenses, provided that the total sum shall not exceed the sum of nine hundred dollars 10 (\$900).

SEC. 199. Section 9784 of the Business and Professions Code is amended to read:

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9784. No crematory licensee under this article shall 14 conduct any cremations:

- (a) Unless the licensee has a written contract with the 16 person or persons entitled to custody of the remains stating the location, clearly manner, and time disposition to be made of the remains, agreeing to pay the regular fees of the licensee for cremation, disposition, and services rendered, and other any provisions as may be required by the board department.
- (b) Of any remains more than 24 hours after delivery 23 of the remains, unless the remains have been preserved in the interim by refrigeration or embalming.
- (c) Unless the licensee has a contractual relationship 26 with a licensed cemetery authority for final disposition of cremated human remains by burial, entombment or inurnment of any and all remains which are not lawfully disposed of or which are not called for or accepted by the person or persons entitled to the custody and control of the disposition thereof within 90 days of the date of death.
  - SEC. 200. Section 9785 of the Business and Professions Code is amended to read:

9785. Each licensee shall keep crematory 35 records as may be required by the board department to 36 assure compliance with all laws relating to the disposition of cremated human remains and shall file annually with the board department, a report in the form prescribed by the board department, describing the operations of such licensee, including the number of cremations made, the AB 2802 **— 82** —

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disposition thereof, and such other information as the board department may, from time to time, require.

SEC. 201. Section 9786 of the Business and Professions 3 Code is amended to read:

5 licensee 9786. Every crematory operating 6 crematory pursuant to a license issued in compliance with this article shall pay an annual regulatory charge for each crematory, to be fixed by the board department at not more than four hundred dollars (\$400). In addition to an 10 annual regulatory charge for each crematory, every licensee operating a crematory pursuant to a license 12 issued pursuant to this article shall pay an additional 13 charge of not more than eight dollars and fifty cents 14 (\$8.50) per cremation made during the preceding 15 quarter, charges shall deposited in which be 16 Cemetery Fund.

Notwithstanding any other provision of law, including 18 any provision contained in the Budget Act of 1996, this 19 section shall remain in effect until the loans authorized by 20 Chapter 38, Statutes of 1996, and by Chapter 162, Statutes of 1996, are repaid, with interest at the rate accruing to moneys in the Pooled Money Investment Account, but no later than April 1, 2003, pursuant to a loan repayment plan approved by the Department of Finance.

SEC. 202. Section 9787 of the Business and Professions 26 Code is amended to read:

9787. Each crematory for which a crematory license 28 is required shall be operated under the supervision of a manager qualified as such in accordance with rules adopted by the board department. Each such manager be required to successfully pass evidencing understanding examination an applicable provisions of this code and of the Health and Safety Code of this state.

SEC. 203. Section 9789 of the Business and Professions 35 36 Code is amended to read:

9789. A crematory licensee shall be subject to and 37 disciplined by the <del>board</del> 38 shall be department in 39 accordance with Article 6 (commencing with Section 40 9725).

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SEC. 204. Section 9880.2 of 1 the Business and 2 Professions Code is amended to read:

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- 9880.2. The following persons are exempt from the requirement of registration:
- (a) An employee of an automotive repair dealer if the employee repairs motor vehicles only as an employee.
- (b) A person who solely engages in the business of repairing the motor vehicles of a single one or more commercial, industrial, or governmental establishment, 10 or two or more establishments related by common ownership or corporate affiliation establishments.
- (c) A person who is registered pursuant to Chapter 20 13 (commencing with Section 9800) and whose work is 14 limited to the installation or replacement of a motor vehicle radio, antenna, audio recorder, audio playback 16 equipment, or burglar alarm.
- (d) A person whose primary business is the wholesale 18 supply of new or rebuilt automotive parts who solely engages in the remachining of individual automotive 20 parts without compensation for warranty adjustments to 21 those parts and who does not engage in repairing or 22 diagnosing malfunctions of motor vehicles 23 motorcycles. "Primary business" means the business that accounts for the majority of the company's gross sales. "Wholesale supply" means the sale, by a seller who possesses a California Resale Permit, of automotive parts to a retailer or jobber for the purpose of resale. However, person described in this subdivision, prior commencing work, shall do both of the following:
  - (1) Provide a notice containing the bureau's toll-free telephone number to the customer that the person is not regulated by the bureau.
- 33 (2) Provide a written description of the remachining 34 services to be performed to the customer.
- SEC. 205. Section 9884 of the Business and Professions 36 Code is amended to read:
  - 9884. (a) An automotive repair dealer shall pay the fee required by this chapter for each place of business operated by the dealer in this state and shall register with the director upon forms prescribed by the director. The

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forms shall contain sufficient information to identify the automotive repair dealer, including name, address of each location, a statement by the dealer that each location is in an area that, pursuant to local zoning ordinances, permits the operation of a facility for the repair of motor vehicles, the dealer's retail seller's permit number, if a permit is required under the Sales and Use Tax Law (Part 1 (commencing with Section 6001), Division 2, Revenue and Taxation Code), and other identifying data that are 10 prescribed by the director. If the business is to be carried on under a fictitious name, the fictitious name shall be stated. If the automotive repair dealer is a partnership, 12 13 identifying data that are prescribed by the director shall 14 be stated for each partner. If the automotive repair dealer 15 is a corporation, data shall be included for each of the 16 officers and directors of the corporation as well as for the individual in charge of each place of the automotive 17 repair dealer's business in this state. To the extent prescribed by the director, an automotive repair dealer 20 shall identify the owners, directors, officers, partners, managers and any other persons who directly of indirectly control or conduct the business. The forms shall include a statement signed by the dealer under penalty 24 of perjury that the information provided is true. 25

- (b) A state agency is not authorized or required by this section to enforce a city, county, regional, air pollution control district, or air quality management district rule or regulation regarding the site or operation of a facility that repairs motor vehicles.
- 30 SEC. 206. Section 9884.3 of the Business and 31 Professions Code is amended to read:

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- 9884.3. Every registration shall cease to be valid on June 30 of each year one year from the last day of the month in which registration was issued unless the automotive repair dealer has paid the renewal fee required by this chapter.
- 37 SEC. 207. Section 9886.2 of the Business and 38 Professions Code is amended to read:
- 39 9886.2. The money in the Vehicle Inspection and 40 Repair Fund necessary for the administration of this

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chapter and Chapter 5 (commencing with Section 44000)

- 2 of Part 5 of Division 26 of the Health and Safety Code is
- 3 available to the department, when appropriated for those
- 4 purposes. The money in the Certification Account, which
- 5 is hereby created in the Vehicle Inspection and Repair
- 6 Fund, shall be available pursuant to Chapter 20.5
- 7 (commencing with Section 9889.70).
- 8 SEC. 208. Article 10 (commencing with Section 9 9889.30) of Chapter 20.3 of Division 3 of the Business and
- 10 Professions Code is repealed.
- 11 SEC. 209. Section 9889.8 of the Business and 12 Professions Code is amended to read:
- 13 9889.8. All accusations against licensees shall be filed
- 14 within three years after the act or omission alleged as the
- 15 ground for disciplinary action, except that with respect to
- 16 an accusation alleging a violation of subdivision—(f) (e) of
- 17 Section 9889.3, the accusation may be filed within two
- 18 years after the discovery by the bureau of the alleged facts
- 19 constituting the fraud or misrepresentation prohibited by
- 20 such section.
- 21 SEC. 210. Section 18740 of the Business and 22 Professions Code is repealed.
- 23 18740. The commission shall furnish each boxer with
- 24 a performance card upon which shall be recorded, the
- 25 number of fights in which the boxer has participated in this state. This information shall be endorsed on the eard
- 27 by the inspector after the boxer has completed the bout.
- 28 This card shall be presented by the licensee before the
- 29 bout, or the boxer shall not be permitted to participate in
- 30 the contest.
- 31 SEC. 211. Section 15633.5 of the Welfare and
- 32 Institutions Code is amended to read:
- 33 15633.5. (a) Information relevant to the incident of
- 34 elder or dependent adult abuse may be given to an
- 35 investigator from an adult protective services agency, a
- 36 local law enforcement agency, or the bureau of Medi-Cal
- 37 Fraud or investigators of the Department of Consumer
- 38 Affairs, Division of Investigation who is are investigating
- 39 the known or suspected case of elder or dependent adult
- 40 abuse.

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- 1 (b) The identity of all persons who report under this 2 chapter shall be confidential and disclosed only among 3 adult protective services agencies, long-term care 4 ombudsman programs, licensing agencies, local law 5 enforcement agencies, and the bureau, and the Division 6 of Investigation to counsel representing an adult 7 protective services agency, long-term care ombudsman 8 program, licensing agency, or a local law enforcement 9 agency, by the bureau to the district attorney in a 10 criminal prosecution, when persons reporting waive 11 confidentiality, or by court order.
- 12 (c) Notwithstanding subdivisions (a) and (b), any 13 person reporting pursuant to Section 15631 shall not be 14 required to include his or her name in the report.